




DATE: June 14, 2011

TO: Board of Water and Soil Resources' Members, Advisors, and Staff

FROM: John Jaschke, Executive Director 

SUBJECT: June 22, 2011 Board Meeting Notice

The Board of Water and Soil Resources (BWSR) will meet on Wednesday, June 22, 2011, beginning at 9:00 a.m. The meeting will be held in the lower level Board Room at 520 Lafayette Road N., St. Paul. Parking is available in the lot directly in front of the building (use hooded parking areas).

The following information pertains to agenda items:

#### COMMITTEE MEETINGS

##### ***Grants Program & Policy Committee***

1. **Grants Monitoring, Reconciliation, and Verification Policy** – The Office of the Legislative Auditor found that BWSR was not in full compliance with Office of Grants Management Policies 08-08 and 08-10 in its May 2010 report. Since then a staff team has been working to develop a policy and process to comply with these policies. The proposed Grants Monitoring, Reconciliation, and Verification Policy, that was reviewed by the Grants Program and Policy Committee on June 13, 2011, provides for monitoring of all grants, establishes a three payment schedule for competitive grants, and provides that 10% of all grants will be reconciled annually. See attachments. ***DECISION ITEM***
2. **Authorizing the FY12 Clean Water Fund Competitive Grants Program** – BWSR anticipates being appropriated Clean Water Funds to make grants to local governments to address water quality needs. In addition, the Minnesota Department of Health and Minnesota Department of Agriculture are expected to contribute funds to this grant program. All BWSR competitive grant programs are being combined into a single RFP that will allow local governments to address needs identified in their local water management plan or to implement a TMDL. The Grants Program and Policy Committee reviewed the policy, RFP and resolution on June 13, 2011 and will again on June 21, 2011. See attachments. ***DECISION ITEM***

<b><i>Bemidji</i></b>	<b><i>Brainerd</i></b>	<b><i>Duluth</i></b>	<b><i>Fergus Falls</i></b>	<b><i>Marshall</i></b>	<b><i>Mankato</i></b>	<b><i>New Ulm</i></b>	<b><i>Rochester</i></b>
701 Minnesota Ave., Suite 234 Bemidji, MN 56601 (218) 333-8024	1601 Minnesota Drive Brainerd, MN 56401 (218) 828-2383	394 South Lake Ave., Room 403 Duluth, MN 55802 (218) 723-4752	1004 Frontier Drive Fergus Falls, MN 56537-2505 (218) 736-5445	1400 East Lyon St., Box 267 Marshall, MN 56258 (507) 537-6060	1160 Victory Drive S., Suite 5 Mankato, MN 56001-5358 (507) 389-1967	261 Highway 15 South New Ulm, MN 56073 (507) 359-6074	2300 Silver Creek Rd N.E. Rochester, MN 55906 (507) 206-2889

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3. **Non-Point Engineering Assistance Program Policy** – BWSR has made grants to support regional SWCD joint powers boards that have provided shared engineering and technical assistance for the implementation of soil and water conservation, water quality, and wildlife habitat practices and projects. Staff have developed a policy that is intended to be used beginning in FY12 to support implementation of this program. See attachments. **DECISION ITEM**
4. **Farm Bill Assistance Program Grant Awards** – BWSR has made grants to SWCDs since 1992 to increase grassland and wetland program enrollment for both wildlife habitat and water quality. This year, the Board is being requested to authorize these grants prior to legislative appropriations to get these grants to the SWCDs as soon as possible in the new fiscal year. See attachments. **DECISION ITEM**

***Metro Water Planning Committee***

1. **Wright County Local Water Management Plan Five-Year Amendment** - The Metro Water Planning Committee met on May 31, 2011, to review the 2011 Plan Amendment to the Wright County Water Plan. The attached draft Order contains a summary of the Plan Amendment process and state agencies' recommendations. The Committee recommends approval of the 2011 Plan Amendment per the attached draft Order. **DECISION ITEM**

***Northern Water Planning Committee***

*The Northern Water Planning Committee is meeting on June 15<sup>th</sup> – the following agenda items are contingent upon the Committee's recommendations.*

1. **Clearwater River Watershed District Plan** – The Clearwater River Watershed District (CRWD) lies in central Minnesota. The CRWD updated their watershed district 10-year plan and is submitting the plan for Board review and approval. The plan has been reviewed by BWSR staff to ensure that the plan is in compliance with State statute and rule. The plan will be reviewed by the Northern Water Planning Committee on June 15, 2011, with the Committee recommendation presented to the Board on June 22<sup>nd</sup>. See attachment. **DECISION ITEM**
2. **Cook County Water Plan Extension** – The Cook County Board of Commissioners adopted a resolution requesting an extension to the Cook County Local Water Plan (LWP) at their March 22, 2011 regular meeting. The current plan expires October 26, 2012. The Cook County Soil and Water Conservation District (SWCD) and Cook County Water Plan Advisory Committee recommended approval of the extension request to the County Board. The Cook County SWCD has adopted the Cook County LWP as its Comprehensive Plan and administers the LWP for the County. BWSR staff recommends approval of the request to extend the expiration date of the Cook County LWP; the extension would be granted for two years, effective until October 26, 2014; per M.S. 103B.311, Subdivision 4. The plan will be reviewed by the Northern Water Planning Committee on June 15, 2011, with the Committee recommendation presented to the Board on June 22<sup>nd</sup>. See attachment. **DECISION ITEM**



3. **Middle-Snake-Tamarac Rivers Watershed District Plan Update** - The Middle-Snake-Tamarac Rivers Watershed District Plan update process has resulted in a very comprehensive, thoroughly thought-out plan. The Watershed District has engaged the public, local, state, and federal agencies in the process by the establishment of two committees; a Citizen's Advisory Committee (CAC) and a Technical Advisory Committee (TAC). In addition to the committees, the Watershed District held five public input meetings throughout the District in the late winter/early spring of 2009, in which 20 to 30 citizens attended each session. The issues identified at these sessions along with water management concerns of the District were then divided into areas of concern and sub-committees of the CAC and TAC were established to develop goals and objectives. The committees focused on education, water quality, flood damage reduction, natural resource enhancement, and erosion/sedimentation. This process produced a plan that meets the requirements of 103D.405, BWSR guidelines, and the intent of the Flood Damage Reduction Work Group Mediation Agreement of 1998. The revised plan will be reviewed by the Northern Water Planning Committee on June 15, 2011, with the Committee recommendation presented to the Board on June 22<sup>nd</sup>. See attachment.  
**DECISION ITEM**

4. **North Fork Crow River Watershed and Sauk River Watershed District Boundary Change** – The North Fork of the Crow River Watershed District and the Sauk River Watershed District have submitted a petition to BWSR for a boundary change. The boundary change concerns a ¼ section of land that will go from the North Fork to the Sauk River. The change will better reflect the hydrology of the watersheds. The petition was reviewed by BWSR staff and found to be in accordance with the hydrology and the process followed statute and policy. The Northern Water Planning Committee will meet on June 15<sup>th</sup> to review the petition and provide a recommendation to the Board. The boundary change is non-controversial and will better reflect the conditions on the ground. As per 103D.251, the Board must formally approve all watershed district boundary changes. See attachment. **DECISION ITEM**

5. **Polk County Priority Concerns Scoping Document** – The Northern Water Planning Committee will meet on June 15, 2011, in Bemidji to discuss with representatives of Polk County the Priority Concerns Scoping Document (PCSD), state review comments and to prepare a recommendation for the approval of the PCSD for the Polk County LWMP. (In preparation for updating of the Polk County Local Water Management Plan). The priority concerns for Polk County are, surface water quality, water quantity, management, enhancement and preservation of natural resources within the Glacial Lake Agassiz Beach Ridge area, exotic and invasive species management. The Northern Water Planning Committee will present their recommendation to the Board on June 22, 2011. See attachments. **DECISION ITEM**

6. **Establishment Hearing for the Upper Red Lower Otter Tail Watershed District** - A petition to establish the Upper Red Lower Otter Tail Watershed District was filed by Wilkin County with BWSR on January 18, 2011. Territory to be included in the proposed watershed district is an area that affects Wilkin and Otter Tail Counties approximately 430 square miles in size. The area is bordered on the south by the Bois de Sioux



Watershed District, on the north by the Buffalo-Red River Watershed District and on the west by the State boundary/Red River.

The petition was signed by Wilkin County Commissioners. Minn. Stat. § 103D.205, Sub. 3, item 3. allows an establishment petition to be signed by counties having 50 percent or more of the area within the proposed watershed district. As Wilkin County contains more than 50 percent of the area in the proposed watershed district, the petition has the requisite number of petitioner signatures. A petition that has the requisite number of petitioner signatures cannot be dismissed. Therefore, the Northern Water Planning Committee is recommending that BWSR proceed with an Establishment Hearing Order.

However, deficiencies were noted in the petition, most notable the lack of potential managers names residing in Otter Tail County. A petition that has the requisite number of petitioner signatures cannot be dismissed because of defects since the petitioners have the ability to amend a defective establishment petition at any time prior to the end of the establishment hearing.

Otter Tail County Commissioners have passed a resolution opposing the establishment of the Upper Red Lower Otter Tail Watershed District.

DNR submitted the required preliminary report and watershed map. The report states 'The DNR supports the establishment of a watershed district within the Ottertail River system and has no objections to the proposed petition.'

On April 18<sup>th</sup>, Wilkin County requested BWSR hold the establishment hearing in June or July. This will give Wilkin County additional time to solicit manager nominees who reside in Otter Tail County and avoid conflicts for those who are involved with farm activities. Without a May BWSR meeting the Committee's recommendation was held for the June BWSR meeting. See attachments. **DECISION ITEM**

#### ***Southern Water Planning Committee***

1. **Sibley County Priority Concerns Scoping Document** - Sibley County, as part of updating their Comprehensive Local Water Management Plan, submitted the Priority Concerns Scoping Document for state review and comment. The Southern Water Planning Committee of the BWSR Board, chaired by Paul Langseth, met on April 27, 2011, after the state agency review period ended. The Committee's recommendation for the Sibley County Priority Concerns Scoping Document will be presented to the full Board for review and action. The state's expectations for the development of the final plan must be sent to Sibley County. See attachments. **DECISION ITEM**

#### **NEW BUSINESS**

1. Wetland Conservation Act (WCA) Statute Changes – See attachment. **INFORMATION ITEM**
2. WCA-Swampbuster Coordination Opportunity – See attachments. **INFORMATION ITEM**

If you have any questions regarding the agenda, please feel free to give me a call at (651) 296-0878. The Board meeting will adjourn about noon. I look forward to seeing you on June 22<sup>nd</sup>!



BOARD OF WATER AND SOIL RESOURCES  
520 LAFAYETTE ROAD N.  
LOWER LEVEL CONFERENCE ROOM  
ST. PAUL, MINNESOTA 55155  
WEDNESDAY, JUNE 22, 2011

PRELIMINARY AGENDA

9:00 AM CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA

MINUTES OF APRIL 27, 2011 MEETING

PUBLIC ACCESS FORUM (10-minute agenda time, two-minute limit/person)

CONFLICT OF INTEREST DECLARATION

**REPORTS**

- Chair – Brian Napstad
- Executive Director – John Jaschke
- Dispute Resolution Committee – Paul Brutlag
- Wetlands Committee – LuAnn Tolliver
- Grants Program & Policy Committee – Louise Smallidge
- Public Relations, Outreach & Strategic Planning Committee – Keith Mykleseth
- RIM Reserve Planning Committee – Paul Brutlag
- Drainage Work Group – Tom Loveall
- Administrative Advisory Committee – Brian Napstad

**COMMITTEE RECOMMENDATIONS**

***Grants Program & Policy Committee***

1. Grants Monitoring, Reconciliation, and Verification Policy – Dave Weirens -  
***DECISION ITEM***

2. Authorizing the FY12 Clean Water Fund Competitive Grants Program –  
Dave Weirens - ***DECISION ITEM***

3. Farm Bill Assistance Program Grant Awards – Tabor Hoek - ***DECISION ITEM***

4. Non-Point Engineering Assistance (NPEA) Program Policy – Dave Weirens and  
Mark Hiles - ***DECISION ITEM***



### ***Metro Water Planning Committee***

1. Wright County Local Water Management Plan Five-Year Amendment – Bob Burandt/Brad Wozney – ***DECISION ITEM***

### ***Northern Water Planning Committee***

1. Clearwater River Watershed District Plan – Quentin Fairbanks - ***DECISION ITEM***
2. Cook County Water Plan Extension – Quentin Fairbanks - ***DECISION ITEM***
3. Middle-Snake-Tamarac Rivers Watershed District Revised Plan – Quentin Fairbanks - ***DECISION ITEM***
4. North Fork Crow River Watershed District and Sauk River Watershed District Boundary Change – Quentin Fairbanks - ***DECISION ITEM***
5. Polk County Priority Concerns Scoping Document – Quentin Fairbanks - ***DECISION ITEM***
6. Establishment Hearing for the Upper Red Lower Otter Tail Watershed District – Quentin Fairbanks – ***DECISION ITEM***

### ***Southern Water Planning Committee***

1. Sibley County Priority Concerns Scoping Document – Paul Langseth – ***DECISION ITEM***

### **NEW BUSINESS**

1. Wetland Conservation Act (WCA) Statute Changes – Les Lemm - ***INFORMATION ITEM***
2. WCA-Swampbuster Coordination Opportunity – Less Lemm – ***INFORMATION ITEM***

### **AGENCY REPORTS**

- Minnesota Department of Agriculture – Matthew Wohlman
- Minnesota Department of Health – Linda Bruemmer
- Minnesota Department of Natural Resources – Tom Landwehr
- Minnesota Extension Service – Faye Sleeper
- Minnesota Pollution Control Agency – Rebecca Flood

### **ADVISORY COMMENTS**

- Association of Minnesota Counties – Annalee Garletz
- Minnesota Association of Conservation District Employees – Matt Solemsaas
- Minnesota Association of Soil and Water Conservation Districts – LeAnn Buck
- Minnesota Association of Townships – Sandy Hooker
- Minnesota Association of Watershed Districts – Ray Bohn
- Natural Resources Conservation Service – Tim Koehler



**UPCOMING MEETINGS**

- Next BWSR Board Meeting – July 27, 2011 in St. Paul
- Board Tour & Meeting – August 24-25, 2011 in Little Falls

**Noon****ADJOURN**



**BOARD OF WATER AND SOIL RESOURCES  
520 LAFAYETTE ROAD N.  
LOWER LEVEL CONFERENCE ROOM  
ST. PAUL, MINNESOTA 55155  
WEDNESDAY, APRIL 27, 2011**

**BOARD MEMBERS PRESENT:**

Linda Bruemmer, MDH; Paul Brutlag, Bob Burandt, Christy Jo Fogarty, Quentin Fairbanks, Sandy Hooker, Tom Landwehr, DNR; Paul Langseth, Tom Loveall, Joe Martin, John Meyer, Keith Mykleseth, Brian Napstad, Gaylen Reetz, MPCA; Faye Sleeper, MES; Louise Smallidge, Gene Tiedemann, LuAnn Tolliver, Matthew Wohlman, MDA

**BOARD MEMBERS ABSENT:**

Joe Martin

**STAFF PRESENT:**

Mary Jo Anderson, Brian Dwight, Travis Germundson, Jim Haertel, Jeff Hrubes, John Jaschke, Al Kean, Jeff Nielsen, Dave Weirens, Marcey Westrick, Steve Woods, Brad Wozney

**OTHERS PRESENT:**

Matt Moore, South Washington Watershed District  
Doug Snyder and Dan Kalmon, Mississippi WMO  
Rob Sip and Barbara Weismann, MDA  
Wayne Anderson, MPCA  
Richard Batiuk, Associate Director for Science, EPA  
Warren Formo, Minnesota Ag Water Resources Coalition  
Tim Koehler, NRCS  
Tim Gieseke, Ag Resource Strategies, LLC



**Chair Napstad called the meeting to order at 9:00 a.m.**

**PLEDGE OF ALLEGIANCE**

**\*\* 11-21 ADOPTION OF AGENDA** – Moved by Louise Smallidge, seconded by Quentin Fairbanks, to approve the agenda as presented. Motion passed on a voice vote.

**\*\* 11-22 MINUTES OF MARCH 23, 2011 MEETING** – LuAnn Tolliver reported that a correction is needed on page ten, it should state that Jill Crafton is with the Riley Purgatory Bluff Creek Watershed District. Moved by LuAnn Tolliver, seconded by Paul Brutlag, to approve the corrected minutes of March 23, 2011 as circulated. Motion passed on a voice vote.

**CONFLICT OF INTEREST DECLARATION** – Chair Napstad reported that one agenda item today needs the Conflict of Interest Declaration form submitted. The agenda item is the Allocation of Available Clean Water Funds. Chair Napstad read the statement:

*“A conflict of interest whether actual or perceived occurs when someone in a position of trust has competing professional or personal interests and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to identify any potential conflicts of interest they may have regarding today's business.”*

Chair Napstad asked board members to submit their completed Conflict of Interest Declaration forms to John Jaschke. John explained BWSR's policy on grant authorization and completing the form. The Conflict of Interest Declaration documents will be filed for each grant decision item.

**REPORTS**

**Chair's Report** – Brian Napstad reported that he attended the Northern Water Planning Committee meeting on April 13<sup>th</sup>. Chair Napstad reported that Dan Steward, Board Conservationist, presented the history of water planning and Chair Napstad encouraged the Southern and Metro Water Planning Committees to also discuss this informative topic.

Chair Napstad reported that he and Vice Chair Paul Brutlag met with John Jaschke last night and conducted John's annual performance evaluation. Chair Napstad thanked board members for their participation in the executive director's review process. He assured board members that each comment was reviewed with John. Board member comments varied, yet comments were very positive. Chair Napstad stated that he is very pleased with Executive Director John Jaschke. John scored 4.4 out of five points,



**BWSR Meeting Minutes**  
**April 27, 2011**  
**Page Three**

excellent! Chair Napstad stated that he is always proud to introduce John Jaschke as Executive Director of BWSR; he's a great spokesman for the agency, and is well respected by board members, staff, legislators, and clientele. Paul Brutlag stated that he and Chair Napstad had an excellent discussion with John last night. Paul stated that John appropriately balances staff respect and morale, has established a good relationship with board members, and we need to keep John as a functional working asset to BWSR. Chair Napstad stated that board members may request more details of the evaluation if interested.

**Executive Director's Report** – John Jaschke reviewed items in the Board Meeting packet today: BWSR Committees, dated March 22, 2011; BWSR Member location map; "BWSR Snapshots"; and the 2011 MAWD Summer Tour Information. John stated that board members interested in attending the MAWD tour should submit their registration to Mary Jo Anderson for direct billing.

John reported that the Legislature took a break last week. John attended a wetland staff meeting in Brainerd on Monday; he also attended meetings and field visits with Aitkin County, Crow Wing County, Douglas County and the Sauk River Watershed District. A listening session and legislative update with Metro area local governments was held Wednesday. John was in Rochester on Thursday for an Earth Day event in the morning and an afternoon meeting with local governmental units.

John gave a brief legislative update. There is no news to report yet on the budget. The Legacy amendment work is going on this week to appropriate funding for Clean Water and Outdoor Heritage Fund projects. BWSR's WCA policy bill is moving forward. The rulemaking moratorium proposed may create obstacles with other current and past legislation.

Christy Jo Fogarty and Sandy Hooker arrived at the meeting at 9:15 a.m.

**Dispute Resolution Committee** – Travis Germundson reported that one new appeal was received, a forestry exemption in Cook County. Travis reported that appeal #11-2, in Waseca County, has a prehearing conference scheduled for next week. Chair Napstad thanked Travis for his report.

**Wetlands Committee** – LuAnn Tolliver stated that the Wetlands Committee has not met; a meeting will be scheduled in conjunction with an upcoming Board meeting.

**Grants Program & Policy Committee** – Louise Smallidge stated that the Grants Program & Policy Committee has not met; there is an item on the agenda later today.



**Public Relations, Outreach & Strategic Planning Committee** – Keith Mykleseth distributed copies of the Public Relations, Outreach & Strategic Planning Committee meeting minutes of March 23, 2011, and the agenda for today's Committee meeting. The Committee is meeting today following adjournment of the Board Meeting; and immediately following adjournment of the Southern Water Planning Committee meeting. Keith stated that the Committee decided to conduct a survey of board members' interest in various topics that could be addressed in BWSR's Strategic Plan. The survey is in board members' packets. Chair Napstad asked board members to select three topics and submit the completed survey to Mary Jo Anderson today.

**RIM Reserve Planning Committee** – Paul Brutlag stated that the RIM Reserve Planning Committee has not met.

**Drainage Work Group** – Tom Loveall reported that Drainage Work Group has not met.

**Administrative Advisory Committee** – Brian Napstad reported that Administrative Advisory Committee (AAC) met this morning. The AAC discussed the Executive Director's performance evaluation; allocations available for the Clean Water Legacy and Clean Water Funds; legislative update; Committee meetings scheduled; and a letter from Wilkin County regarding establishment of Upper Red Lower Otter Tail Watershed District.

## **COMMITTEE RECOMMENDATIONS**

### ***Metro Water Planning Committee***

**Coon Creek Watershed District Boundary Change Petition** – Travis Germundson reported that the Coon Creek Watershed District (CCWD) submitted a boundary change petition pursuant to Minn. Stat. § 103B.215 to change the legal boundaries between the CCWD and Lower Rum River Water Management Organization (LRRWMO). The CCWD's 2004 Comprehensive Plan directs the Watershed District to review its boundaries on an ongoing basis to ensure accuracy. The proposed boundary change would achieve a more accurate alignment between the hydrologic and legal boundaries of the CCWD and the LRRWMO. Travis reported that all relevant substantive procedural requirements have been fulfilled. The Metro Water Planning Committee met on April 12, 2011 and unanimously voted to recommend approval of the Petition.

**\*\***  
**11-23** Moved by Bob Burandt, seconded by Christy Jo Fogarty, that BWSR hereby orders that the boundaries of the Coon Creek Watershed District are changed per the Petition as depicted. The Board strongly recommends that the Lower Rum River Water Management Organization take immediate action to change its organizational boundary consistent with the Order. Chair Napstad stated that he appreciates the defined map showing the boundary amendment. Motion passed on a voice vote.



**Coon Creek Watershed District Boundary Change Hearing** – Jim Haertel reported that in conjunction with the dissolution of the Six Cities Watershed Management Organization, the Coon Creek Watershed District submitted a boundary change petition to enlarge the district into areas of the former Six Cities Watershed Management Organization. The petition involves parts of the Cities of Blaine, Coon Rapids, Fridley and Spring Lake Park. The Board action is to order a public hearing on the petition. Jim Haertel reported that the Metro Water Planning Committee recommends a hearing. Moved by Paul Langseth, seconded by Bob Burandt, that the Board hereby orders a public hearing to be held within 35 days of the date of this Order on the Petition for a boundary change of the Coon Creek Watershed District to be presided over by the Metro Water Planning Committee at a date, time and location set by the Executive Director, after proper legal notice of the public hearing has been given. Motion passed on a voice vote.

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11-24

**Amendment to South Washington Watershed District Watershed (SWWD) Management Plan** – Jim Haertel introduced Matt Moore, Administrator of the SWWD. Jim reported that the mission of the SWWD is to manage water and related resources within the District in cooperation with citizens and communities. The Amendment to the SWWD Plan incorporates natural resource data, issues, and goals for the area of the former Lower St. Croix Watershed Management Organization (LSCWMO). The Amendment was ordered by the BWSR Board in conjunction with the enlargement of the SWWD into areas of the former LSCWMO. The Amendment is consistent with the former LSCWMO Watershed Management Plan. The Amendment establishes the area of the former LSCWMO as a watershed management unit for project funding by stormwater utility fees. The Metro Water Planning Committee met on April 12, 2011. After review of information, the Committee unanimously recommends approval of the Plan Amendment. Moved by Louise Smallidge, seconded by Matt Wohlmann, that the Board hereby approves the amendment, dated March 9, 2011, to the South Washington Watershed District Watershed Management Plan. Paul Brutlag stated that BWSR has properly done what was hydrologically corrected. Motion passed on a voice vote.

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11-25

**Scott Watershed Management Organization (WMO) Plan Amendment** – Brad Wozney reported that a Plan amendment to the Scott WMO Watershed Management Plan was filed with the Board on February 11, 2011. The Metro Water Planning Committee recommends approval of the Plan amendment. Moved by Bob Burandt, seconded by Louise Smallidge, that the Board hereby approves the amendment to the Scott Watershed Management Organization's Watershed Management Plan. Louise stated that the mapping done by staff is much appreciated! Motion passed on a voice vote.

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11-26



**Mississippi Watershed Management Organization (MWMO) Revised Watershed Management Plan** – Brad Wozney introduced Doug Snyder, MWMO Executive Director, and Dan Kalmon, MWMO Planner and Program Manager. Brad reported that the MWMO offered LGUs and state agencies a number of opportunities to provide input via Technical Advisory Committee meetings and releasing preliminary drafts. Brad reported that approximately 1,000 comments were received for this Plan. Brad reported that the Metro Water Planning Committee met on April 12, 2011, with a presentation on the history and key focus areas of the MWMO as well as highlights of the implementation section of the revised Plan. After review of the information, the Committee unanimously recommends approval of the Plan. Moved by Louise Smallidge, seconded by Keith Mykleseth, that the Board hereby approves the Mississippi Watershed Management Organization Revised Watershed Management Plan. Motion passed on a voice vote. Chair Napstad thanked Doug Snyder and Dan Kalmon for coming in today.

***Northern Water Planning Committee***

**Red Lake Watershed District (RLWD) Plan Amendment for Formation of a Water Management District** – Keith Mykleseth introduced Dale Nelson, President, and Myron Jesme, Administrator, Red Lake Watershed District. Brian Dwight reported that the RLWD proposes a watershed management plan amendment providing for the establishment of a Water Management District for the Thief River Falls Flood Damage Reduction Project. The RLWD has developed a comprehensive flood damage reduction solution that involves numerous partners including the RLWD, state, city, county, townships, and local landowners. This project will address a long-standing flooding problem in the City of Thief River Falls. Brian reported that the Northern Water Planning Committee met on April 13, 2011, reviewed the Plan amendment and recommends approval. Moved by Quentin Fairbanks, seconded by Keith Mykleseth, that the Board hereby prescribes the Plan amendment dated March 10, 2011, as a formal amendment to the April 2006 Revised Plan for the RLWD to establish a water management district and the RLWD must include an evaluation of the use and effectiveness of the water management district in each ten-year plan revision. Gene Tiedemann abstains from voting as he is a Board Member of the RLWD. Paul Brutlag commended the Red Lake Watershed District for their efforts on a good Plan amendment, they are setting precedence for others to follow. Motion passed on a voice vote. Chair Napstad thanked Myron Jesme and Dale Nelson for coming in today.

**Middle-Snake-Tamarac Rivers Watershed District (MSTRWD) Order to Hold a Public Hearing on Watershed Plan** – Brian Dwight reported that the Board must give notice and hold a hearing on Watershed District Plan updates within 45 days after receiving the Department of Natural Resources' recommendation on the revised Plan



**BWSR Meeting Minutes**  
**April 27, 2011**  
**Page Seven**

11-29 \*\* pursuant to Minn. Stat. § 103D.405 Subd.5 (a). Brian reported that the Northern Water Planning Committee recommends approval at this time so the statutory requirement can be met. Moved by Gene Tiedemann, seconded by Sandy Hooker, that the Board hereby orders a public hearing be held within 45 days after receiving the Department of Natural Resources' recommendation on the revised Plan for the MSTRWD to be presided over by the Northern Water Planning Committee at a date and location to be determined by the Executive Director. Motion passed on a voice vote.

11-30 \*\* **Wadena County Water Plan Amendment** – Quentin Fairbanks reported that the Northern Water Planning Committee reviewed the Wadena County Water Plan amendment and recommends approval. Moved by Quentin Fairbanks, seconded by Paul Brutlag, that the Board hereby approves the update of the Wadena County Local Water Management Plan. Paul Langseth, chair of the Southern Water Planning Committee, stated that this is a good process to have in place to review amendments. Quentin stated that it's a good learning experience to have discussion between Committees. Chair Napstad stated that he and John Jaschke have been discussing this also. Motion passed on a voice vote.

11-31 \*\* **Southern Water Planning Committee**  
**Mower County Local Water Management Plan Amendment** – Paul Langseth reported that the Southern Water Planning Committee met on November 4, 2010, to review the Mower County Comprehensive Local Water Plan 2010 Amendment, and recommends approval. The December 14, 2005, BWSR Order approving the 10-year plan required a review and update of the implementation section in five years. Moved by Paul Langseth, seconded by Sandy Hooker, that the Board hereby approves the 2010 amendment of the Mower County Water Management Plan for January 1, 2006 – December 31, 2015. Mower County will be required to provide a complete update of its Water Management Plan prior to December 31, 2015. Motion passed on a voice vote.

Chair Napstad called for a break in the meeting at 10:05 a.m. The meeting reconvened at 10:15 a.m.

**NEW BUSINESS**

**Chesapeake Bay Presentation** – John Jaschke introduced Richard Batiuk, Associate Director for Science, U.S. Environmental Protection Agency, Chesapeake Bay Program Office; and Warren Formo, Executive Director, Minnesota Ag Water Resources Coalition. Mr. Batiuk presented information and an assessment of federal, state and local efforts to achieve water quality improvements in the Chesapeake Bay watershed. EPA, in conjunction with the jurisdictions of Maryland, Virginia, Pennsylvania, Delaware, West Virginia, New York, and the District of Columbia, developed and, on December 29, 2010, established a nutrient and sediment pollution diet for the 64,000 square mile



Chesapeake Bay watershed, consistent with Federal Clean Water Act requirements, to guide and assist Chesapeake Bay restoration efforts. This pollution diet is known as the Chesapeake Bay Total Maximum Daily Load (TMDL). NRCS recently released a study, "Assessing Conservation Practices on Cultivated Cropland in the Chesapeake Bay Region". The study shows the opportunities for further reductions of sediment and nutrient losses from agriculture by focusing conservation activities on the most vulnerable acres.

Warren Formo, stated that the Minnesota Ag Water Resources Coalition (MAWRC) recently visited the Bay area to assess past and planned activities. Mr. Formo stated that there are some potential approaches and ideas that could be relevant for Minnesota. Minnesota needs to stay involved; we can learn from one another, and from EPA's achievements in the Chesapeake Bay area. Chair Napstad thanked Rich Batiuk and Warren Formo for coming in today.

#### **OLD BUSINESS**

Chair Napstad requested that board members submit the Conflict of Interest Declaration forms.

**Allocation of Available Clean Water Funds** – John Jaschke explained that BWSR has received numerous appropriations over the past four years for the Clean Water Legacy and Clean Water Fund programs. Funds have been awarded to local governments for a variety of projects and activities. Funds are occasionally returned when a project has been completed under budget, or project components cannot be completed. The resolution will allow highly ranked proposals to be authorized with the returned funds.

11-32    \*\* Moved by Paul Brutlag, seconded by Quentin Fairbanks, to authorize the Executive Director to allocate funds to eligible local units of government that have previously made an application for funds consistent with the intent of prior Board resolutions, governing appropriations and statutes. Discussion followed. Faye asked about the Stearns County allocation. Jeff Hrubes stated that Stearns County's allocation was about \$23,000.

John Jaschke reported that Conflict of Interest Declaration forms were received, all board members are eligible to vote on this matter. Motion passed on a voice vote.

11-32    \*\* **Adjustment to 2011 BWSR Board Meeting Schedule** – John Jaschke explained that the schedule for Board decision-making related to the anticipated Clean Water Fund (CWF) grants will necessitate adding a July meeting if the Legislature's adjournment remains on schedule for May 23. To keep meetings to a minimum, we are planning to cancel the May 25<sup>th</sup> meeting, and add a July 27<sup>th</sup> meeting. Moved by Louise



**BWSR Meeting Minutes**  
**April 27, 2011**  
**Page Nine**

- 11-33 Smallidge, seconded by Sandy Hooker, to approve the revised 2011 BWSR Board Meeting Schedule, eliminating the May 25<sup>th</sup> meeting; and adding the July 27<sup>th</sup> meeting. Motion passed on a voice vote.

**AGENCY REPORTS**

**Minnesota Department of Agriculture** – Matthew Wohlman reported that Barbara Weismann continues to lead the Farm Bill interagency team, a partnership effort in collaboration with MDA, BWSR, DNR, and MPCA. Matt stated that recommendations for the Farm Bill focus on conservation policy to leverage federal dollars.

**Minnesota Department of Health (MDH)** – Linda Bruemmer reported that next week is “Drinking Water Week”. Events will be held in St. Peter. MDH encourages stopping the drinking of commercial bottled water, the City of Minneapolis has adopted that effort also.

Tom Landwehr left the meeting at 11:45 a.m.

**Minnesota Extension Service** – Faye Sleeper reported that the College of Food, Ag and Natural Resource Science is holding a symposium, “Water and Agriculture in the 21<sup>st</sup> Century”, May 6<sup>th</sup>, 9:00– 3:30, at the St. Paul Student Center. Faye invited board members to attend, the symposium is free, but pre-registration is required.

**Minnesota Pollution Control Agency (MPCA)** – Gaylen Reetz reported that SWCDs will be eligible for Clean Water Partnership funds if proposed legislation is passed; MPCA recognizes that SWCDs are an important part of clean water efforts.

**ADVISORY COMMENTS**

**Minnesota Association of Townships (MAT)** – Sandy Hooker reported that MAT is planning a celebration in September in Washington, D.C.

**Natural Resources Conservation Service** – Tim Koehler reported that NRCS has a new WRP initiative in the Red River Basin, \$10M allocated to MN and ND to start this water plan. Tim stated that the NRCS Farm Bill program workload has been split in two. Tim is working on easements and CRP; Myron Taylor is working on cost-share programs EQIP and CSP. NRCS has hired additional staff for RIM-WRP easements. Tim continues to work with Kevin Lines and BWSR staff on easements. Tim reported that the Red River Basin Commission formed a retention authority to deal with retention and water quality issues in the Basin. There is a need to secure easements for flood mitigation and wildlife. Keith Mykleseth stated that the Flood Damage Reduction Work Group plays a part in the funding allocation Tim is reporting on. Tim stated that Don Baloun has been with Minnesota NRCS a year as State Conservationist!

**UPCOMING MEETINGS**

Chair Napstad reported that the next BWSR Board Meeting is June 22, 2011, in St. Paul.

Chair Napstad stated that the Southern Water Planning Committee meets immediately following adjournment of the Board meeting; then the Public Relations, Outreach, and Strategic Planning Committee meets today immediately following adjournment of the Southern Water Planning Committee meeting. The Metro Water Planning Committee will meet on May 31, immediately following the 7:00 p.m. public hearing, in Blaine. The Northern Water Planning Committee meets June 8, location to be determined.

**\*\*** Moved by Louise Smallidge, seconded by LuAnn Tolliver, to adjourn the meeting at  
**11-34** 12:10 p.m.

Respectfully submitted,

Mary Jo Anderson  
Recorder





## BOARD MEETING AGENDA ITEM

**AGENDA ITEM TITLE:** Dispute Resolution Committee Report

**Meeting Date:** June 22, 2011

**Agenda Category:** ☐ Committee Recommendation ☐ New Business ☐ Old Business

**Item Type:** ☐ Decision ☐ Discussion ☒ Information

**Section/Region:** Land and Water Section

**Contact:** Travis Germundson

**Prepared by:** Travis Germundson

**Reviewed by:** \_\_\_\_\_ Committee(s)

**Presented by:** Paul Brutlag/Travis Germundson

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

**Attachments:** ☐ Resolution ☐ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

☒ None

☐ Amended Policy Requested

☐ New Policy Requested

☐ General Fund Budget

☐ Capital Budget

☐ Outdoor Heritage Fund Budget

☐ Clean Water Fund Budget

☐ Other: \_\_\_\_\_

### ACTION REQUESTED

None

**SUMMARY** (*Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation*)

Dispute Resolution Committee Report. The report provides a monthly update on the number of appeals filed with the BWSR.

Dispute Resolution Report  
June 9, 2011  
By: Travis Germundson

There are presently **18** appeals pending. All of the appeals involve WCA except File 10-10. There have been no new appeals filed since the last report (April 27<sup>th</sup> Board Meeting).

Format note: New appeals that have been filed since last report to the Board.  
~~Appeals that have been decided since last report to the Board.~~

File 11-5 (4-13-11) This is an appeal of a forestry exemption decision in Carlton County. This involves the same location and similar issues as File 10-16. The LGU under a remand reversed their previous decision and denied the after-the-fact forestry exemption application for the construction of a forest logging road. Now that denial is being appealed by the Minnesota Timber Producers Association on behalf of the landowner. *The appeal has been granted and a pre-hearing conference is in the process of being scheduled.*

File 11-4 (2-13-11) This is an appeal of a restoration order in Aitkin County. The appeal regards the excavation, draining, and filling of wetlands resulting in over 2 acres of impact. Additional impacts from scope and effect of the new drainage ditch and lowering of culvert have not been calculated. The appeal has been placed in abeyance and the Restoration Order stayed for the submittal of supporting documentation and for the Technical Evaluation Panel to convene on site and develop written findings of fact.

File 11-3 (2-11-11) This is an appeal of a restoration order in Waseca County. The appeal regards the draining and filling of approximately 8.3 acres of a Type 2 wetland. This involves the same location and similar issues as File 11-2. The appeal has been placed in abeyance and the restoration order stayed until there is a final decision on the appeal of the exemption and no loss determinations (File 11-2). *The appeal has been combined with File 11-2 and will be processed as one decision.*

File 11-2 (1-24-11) This is an appeal of an exemption and no-loss determination in Waseca County. The appeal regards the denial of an exemption and no-loss application. A previous denial of the same exemption and no loss application had been appealed (File 8-4). The appeal was remanded for or further technical evaluation and a hearing, and now the current denial has been appealed. *The appeal has been combined with File 11-3 and will be processed as one decision.*

File 11-1 (1-20-11) This is an appeal of a restoration order in Hennepin County. The appeal regards the filling of approximately 1.77 acres of wetland and 0.69 acres of excavation. The appeal has been placed in abeyance and the restoration order stayed until there is a final decision on an after-the-fact wetland application.



File 10-15 (11-29-10) This is an appeal of a restoration order in Mille Lacs County. The appeal regards the filling of approximately 5,800 square feet of wetland for lakeshore access and to create a larger recreational area. The appeal has been placed in abeyance for submittal of technical analyses of the onsite drainage modifications.

File 10-12 (8-27-10) This is an appeal of a restoration order in St. Louis County. The appeal regards the excavation and filling of approximately 43,394 square feet of wetland and the construction of over 1,000 feet of drainage ditches. The appeal has been placed in abeyance and the restoration order stayed to allow the LGU to respond to the data practices request and for the TEP to convene and develop written findings. The appellant has recently applied for an after-the-fact wetland application to retain the open water areas on the site.

File 10-10 (6-10-10) This is an appeal filed under Minn. Stat. 103D.535 regarding an order of the managers of the Wild Rice Watershed District not to go forward with the Upper Becker Dam Enhancement Project as proposed. Appeals filed under 103D.535 require that the Board follow the Administrative Procedures Act. The Act requires that the hearing be conducted by an Administrative Laws Judge through the Office of Administrative Hearings. The appeal has been placed in abeyance pending settlement discussions. A verbal settlement agreement has been reached by the parties. (at the December 2001 Board meeting, Managers voted 6 to 1 to move forward with Option D)

File 10-7 (2-19-10) This is an appeal of a restoration order in Stearns County. The appeal regards draining and filling impacts to approximately 18.44 acres of Type2/3 wetland and 3.06 acres of Type 2 wetland. The appeal has been placed in abeyance and the restoration order stayed for submittal of "as built" or project information pertaining to a public drainage system.

File 10-3 (2-1-10) This is an appeal of a restoration order in Stearns County. The appeal regards the placement of agricultural drain tile and the straightening and rerouting of a county ditch that resulted in over 12 acres of wetland impacts. The appellant has granted BWSR additional time to make a decision on the appeal. No decision has been made on the appeal.

File 09-22 (10-02-09) This is an appeal of a restoration order in Carlton County. The appeal regards three separate investigation areas encompassing over 18 acres of wetland impacts from excavation, filling, and ditching. The replacement order has been stayed and the appeal has been placed in abeyance pending further technical work and for submittal of complete wetland replacement plan, exemption, or no-loss application.



File 09-13 (8-20-09) This is an appeal of an exemption decision in Otter Tail County. The appeal regard the denial of an exemption request for agricultural/drainage actives. A previous denial of the same exemption decision had been appealed (File 09-6). The appeal was remanded for further technical evaluation and a hearing, and now the current denial has been appealed. The appeal has been granted. A pre hearing conference convened on November 12, 2009. At which time parties agreed to hold off scheduling written briefs until the petition before NRCS is concluded. The appeal has been placed in abeyance by mutual agreement until there is a final decision by the Department of Agriculture National Appeals Division.

File 09-10 (7-9-09) This is an appeal of a banking plan application in Aitkin County. The appeal regards the LGU's denial of a banking plan application to restore 427.5 acres of wetlands through the use of exceptional natural resource value. The appeal has been accepted and pre-hearing conferences convened on October 13 and 30, and December 14, 2009. Settlement discussions are on hold while the appellant addresses permitting issues with the Corps of Engineers. The appeal has been placed in abeyance by mutual agreement on determining the viability of a new wetland banking plan application.

File 09-3 (2-20-09) This is an appeal of a replacement plan decision in Anoka County. The appeal regards the approval of a wetland replacement plan for 11,919 square feet of impacts associated with a residential development. The appeal has been placed in abeyance and the replacement plan decision stayed for submittal of a revised replacement plan application. The three owners are also in the process of splitting up the property.

File 08-9. (03/06/08) This is an appeal of a replacement order in Pine County. The appeal regards impacts to approximately 11.26 acres of wetland. The replacement order has been stayed and the appeal has been placed in abeyance pending disposition with the U.S. Dept of Justice.

File 06-23. (05/19/06) This is an appeal of a replacement plan decision in Kanabec County. The LGU denied the wetland replacement plan application. A previous denial of the same replacement plan application had been appealed, the appeal was remanded for a hearing, and now the current denial has been appealed. The appeal has been placed in abeyance pending the outcome of a lawsuit between the landowner and the county. The lawsuit concerns the county's possible noncompliance with the 60-day rule. The county prevailed in district court; however the decision was appealed to the Court of Appeals where the county again prevailed. An appeal to the Minnesota Supreme Court was denied review. It is likely the appeal will soon be placed on the calendar for DRC proceedings.

File 06-17. (05/27/06) This is an appeal of a replacement plan decision in the City of Montgomery in LeSueur County. The LGU denied an after-the-fact wetland replacement plan application based on a lack of sufficient reasons why the restoration could not be completed. The appeal was been remanded for further processing at the local level. The City of Montgomery has gradually been working on removing the debris and restoring the wetland in accordance with MPCA requirements.



File 05-1. (01/13/05) This is an appeal of a replacement plan decision by the Rice Creek Watershed District. The District previously made a decision that was appealed which resulted in a remand for an expanded TEP. Now there is an appeal of the decision made under remand since the decision differed from the TEP report. At issue are wetland delineation and the Comprehensive Wetland Protection and Management Plan that BWSR approved. After a hearing before the DRC, the board remanded the matter for new wetland delineation and for submission on an updated, complete replacement plan application. On 12-9-09 the District made a new wetland delineation decision. The applicant has not yet submitted an updated replacement plan application.

### Draft Summary Table

Type of Decision	Total for Calendar Year 2010	Total for Calendar Year 2011
Order in favor of appellant	2	
Order not in favor of appellant	5	
Order Modified		
Order Remanded	1	
Order Place Appeal in Abeyance	5	3
Negotiated Settlement	1	
Withdrawn/Dismissed	3	

## Board of Water and Soil Resources Grants Conflict of Interest Declaration



Meeting: Farm Bill Assistance Program Grants

Date: June 22, 2011

Policy 08-01: Grants Conflict of Interest Minnesota state agencies must work to deliberately avoid both actual and perceived conflicts of interest related to grant-making at both the individual and organizational levels. When a conflict of interest concerning state grant-making exists, transparency shall be the guiding principle in addressing it.

### **Grant Making Meeting Procedure**

Meetings that are part of the grant making process will include an agenda item to identify and disclose actual or perceived conflicts of interest. During this agenda item, the chair of the meeting shall make a statement that defines what a conflict of interest is and a request that meeting participants disclose any actual or perceived conflicts. This statement is as follows:

Agenda Item: Conflicts of Interest Declaration.

Chair Statement: *"A conflict of interest whether actual or perceived occurs when someone in a position of trust has competing professional or personal interests and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to identify any potential conflicts of interest they may have regarding today's business."*

This form provides Board of Water and Soil Resources (BWSR) grant reviewers an opportunity to disclose any conflicts of interest, or potential for conflicts of interest that exist during a grant making process. It is the grant reviewer's obligation to be familiar with the Conflict of Interest Policy for State Grant-Making and to disclose any conflicts of interest. The grant reviewer is not required to explain the reason for the conflict of interest as this form is considered public data under Minn. Statute 13.599-Grants. **A disclosure does not automatically result in the grant application reviewer being removed from the review process.**

*Please read the descriptions of conflict of interest below and mark the appropriate box that pertains to you and your status as a reviewer of this grant.*

**Descriptions of conflicts of interest:** - A conflict of interest shall be deemed to exist when a review of the situation by the grant reviewer (or other agency personnel) determines any one of the following conditions to be present:

(a) A grant reviewer uses his/her status or position to obtain special advantage, benefit, or access to the grantee or grant applicant's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.

(b) A grant reviewer receives or accepts money or anything else of value from a state grantee or grant applicant or has equity or a financial interest in or partial or whole ownership of an applicant organization.



- (c) A grant reviewer is an employee of a grant applicant or is a family member of anyone involved in the grantee or grant applicant's agency.
- (d) A grant reviewer is in a position to devise benefit by directly influencing a grant-making process to favor an organization the grant reviewer has an interest in.
- 

- ☐ Based on the descriptions above, I do not have a conflict of interest.
- ☐ Based on the descriptions above, I have or may have an actual or perceived conflict of interest, which I am listing below. *(The grant reviewer should list the specific grant-making evaluation, recommendation, or allocation with which they may have a conflict of interest. The grant reviewer may describe the nature of the conflict in the space below, but this information is not required since this form is considered public information.)*

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*(continue below or on an attachment if needed)*

- ☐ Based on the descriptions above, I am unable to participate in this evaluation, recommendation or allocation process because of a conflict of interest.

If at any time during the grant-making process I discover a conflict of interest, I will disclose that conflict to the meeting chair immediately.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

<p><b>All forms must be submitted to the lead staff for the meeting and filed with the meeting agenda by the BWSR Grant Coordinator upon completion.</b></p>
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## **COMMITTEE RECOMMENDATIONS**

### ***Grants Program & Policy Committee***

1. Grants Monitoring, Reconciliation, and Verification Policy – Dave Weirens - ***DECISION ITEM***
2. Authorizing the FY12 Clean Water Fund Competitive Grants Program – Dave Weirens - ***DECISION ITEM***
3. Farm Bill Assistance Program Grant Awards – Tabor Hoek - ***DECISION ITEM***
4. Non-Point Engineering Assistance (NPEA) Program Policy – Dave Weirens and Mark Hiles - ***DECISION ITEM***





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

Grants Monitoring, Reconciliation,  
and Verification Policy

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business

Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: LAND & WATER

Contact: Dave Weirens

Prepared by: Dave Weirens

Reviewed by: GRANTS PROGRAM & POLICY Committee(s)

Presented by: Dave Weirens

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☒ Resolution ☐ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

☒ None

☒ Amended Policy Requested

☒ New Policy Requested

☐ General Fund Budget

☐ Capital Budget

☐ Outdoor Heritage Fund Budget

☐ Clean Water Fund Budget

☐ Other: \_\_\_\_\_

### ACTION REQUESTED

Board approval of the resolution which contains the following actions:

1. Adopt the Grants Monitoring, Reconciliation and Verification Policy;
2. Rescind Board Resolution #10-64 - Revising Cost Share Grant Program Closeout Procedures; and
3. That with adoption of the above referenced policy, acknowledge that BWSR is in compliance with Office of Grants Management Policies 08-08 and 08-10.

### SUMMARY (Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)

The Grants Program & Policy Committee is requesting the Board adoption of the policy and process to comply with Office of Grants Management Policies 08-08 (Grant Payments) and 08-10 (Grants Monitoring) as the May 2010 Office of Legislative Auditor Report found that BWSR was not in compliance with these policies. Since the release of the May 2010 Audit report, BWSR staff have been developing a comprehensive grant oversight system that will bring the Board into compliance with these policies. In addition, the proposed Grants Monitoring, Reconciliation and Verification Policy incorporates the elements of Board resolution #10-64 thereby enabling the Board to rescind this Resolution.

The Grants Program and Policy Committee met on June 13, 2011 to review documents associated with this resolution.



# Grants Monitoring, Reconciliation And Verification Policy

June 22, 2011

## Table of Contents

1.0	Policy Purpose and Background.....	1
2.0	Definition of Terms .....	2
3.0	Policy Statement .....	2
4.0	Implementation Plan .....	2

## 1.0 Policy Purpose and Background

The May 27, 2010 Office of Legislative Auditor Report found that BWSR was not in compliance with Office of Grants Management (OGM) Policies 08-08 and 08-10. Policy 08-08 requires annual financial reconciliation for grants with advance payments. Policy 08-10 sets monitoring and reconciliation requirements for grants greater than \$50,000 and other additional requirements for grants greater than \$250,000. The OLA report stated that "*The Board of Water and Soil Resources did not fully implement Office of Grants Management oversight policies.*" The report recommended the following:

*The board should reconcile grant recipients' actual expenditures in a timely manner to ensure that the grantees used the funds in accordance with the grant agreements, as required by state policies.*

*The board should formalize its grants oversight procedures, including the procedures used to conduct and document financial monitoring visits.*

*The board should enhance its electronic reporting system so that it has sufficient detail about grant recipients' expenditures and has evidence of review or approval of the expenditure reports options considered.*

This policy is adopted in response to the recommendations contained in the OLA Report dated May 27, 2010. The implementation of this policy supports the exemption requests approved by the OGM dated March 10, 2011, and is intended to put BWSR into compliance with OGM policies 08-08 and 08-10.



## **2.0 Definition of Terms**

**2.1 Monitoring** – The purpose of monitoring is to review, and to document that the grantee is making progress implementing the grant and complying with the grant agreement.

**2.2 Final Financial Report**– This report is forwarded to BWSR by LGU after all grant funds have been spent or grant agreement expires. The final financial report is reviewed for approval by BWSR staff and does not require on site review in the LGU office.

**2.3 Reconciliation** – The review of project expenses based on LGU submittal of invoices and reports. Reconciliation may be performed in BWSR offices and is used to approve final grant payment.

**2.4 Verification** – Reconciliation with demonstrated evidence of expenditures. Verification is most often conducted in the LGU office.

## **3.0 Policy Statement**

The BWSR Grants Monitoring, Reconciliation, and Verification policy requires:

- That BWSR staff annually monitor all grants;
- That competitive conservation program grants be paid in three scheduled payments and;
- That financial verification of grant reconciliations will be performed on ten percent of all BWSR grants annually.

This policy will be implemented beginning in FY 2012.

## **4.0 Implementation Plan**

The BWSR Grants Monitoring, Reconciliation, and Verification Policy will be implemented according to a strategy developed by staff and reviewed with the Board or its designated committee.

# Grants Monitoring, Reconciliation, and Verification Background

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Report Date: June 22, 2011

## Purpose and Background

The May 2010 Office of Legislative Auditor Report found that BWSR was not in compliance with Office of Grants Management (OGM) Policies 08-08 and 08-10. Policy 08-08 requires annual financial reconciliation for grants with advance payments. Policy 08-10 sets monitoring and reconciliation requirements for grants greater than \$50,000 and other additional requirements for grants greater than \$250,000. SMT created a work group to establish a unified system to monitor, close out, reconcile, and verify grant activities that will increase grant program administrative efficiency, while continuing to ensure a high degree of compliance and substantial project outcomes. The work group was also charged with developing rationale to justify exceptions from OGM policies as deemed necessary.

Grants Monitoring Team Members:

- Ron Shelito – Chair
- Tom Fischer
- Matt Drewitz
- Conor Donnelly
- Wayne Zellmer
- Dave Weirens and Bill Eisele, as needed

## Key Findings and Recommendations from the Office of the Legislative Auditor (OLA) Internal Controls and Compliance Audit Report May 27, 2010

- Finding 2      The Board of Water and Soil Resources did not fully implement Office of Grants Management oversight policies. The board had the following weaknesses in its oversight of the grant programs we reviewed:
- The board did not timely reconcile granted funds to actual grantee expenditures, as required by state policy 8.
  - The board did not have standardized procedures or documented evidence to substantiate grant-monitoring activities 10.
  - Although the board required grantees to periodically report expenditures through an electronic system it developed, the reports did not contain sufficient detail to determine the appropriateness of the expenditures.



## *Recommendations*

- *The board should reconcile grant recipients' actual expenditures in a timely manner to ensure that the grantees used the funds in accordance with the grant agreements, as required by state policies.*
- *The board should revise the due dates for the Cost Share Work Grant close out reports to comply with the deadline required by the board's policy.*
- *The board should formalize its grants oversight procedures, including the procedures used to conduct and document financial monitoring visits.*
- *The board should enhance its electronic reporting system so that it has sufficient detail about grant recipients' expenditures and has evidence of review or approval of the expenditure reports options considered.*

## **Definition of Terms**

- **Monitoring** – The purpose of monitoring is to review, and to document that the grantee is making progress implementing the grant and complying with the grant agreement.
- **Final Financial Report**– This report is forwarded to BWSR by LGU after all grant funds have been spent or grant agreement expires. The final financial report is reviewed for approval by BWSR staff and does not require on site review in the LGU office.
- **Reconciliation** – The review of project expenses based on LGU submittal of invoices and reports. Reconciliation may be performed in BWSR offices and is used to approve final grant payment.
- **Verification** – Reconciliation with demonstrated evidence of expenditures. Verifications are most often conducted in the LGU or grant recipient's office.

## **Recommended Policy and Implementation Plan**

The BWSR Grants Monitoring, Reconciliation, and Verification policy requires:

- That BWSR staff annually monitor all grants;
- That competitive conservation project grants be paid in three scheduled payments and;
- That financial verification of grant reconciliations will be performed on ten percent of all BWSR grants annually.

The BWSR Grants Monitoring, Reconciliation, and Verification Policy will be implemented beginning FY2012 as follows:

1. Conservation Program and Operations Grant (CPOG) Monitoring

BWSR staff will review and approve all required annual reports in conjunction with the appropriate reporting deadline. BWSR staff will annually conduct report reviews and address non-compliance issues before the June BWSR meeting. The Grants Administrator will annually present a grants monitoring report to the BWSR Board at the June Board meeting.

As part of the monitoring process, the LGU will submit a final financial report that will be reviewed and approved by BWSR staff. The purpose is to confirm the completion of the grant.

BWSR staff will use an on-line grant monitoring journal to further document informal conversation, emails, and other contact with grant recipients as part of the BWSR oversight and monitoring process.

2. Project Grants Payments Schedule

The payment schedule for all competitive conservation project grants includes three payments:

- Initial payment of (50%) after the grant agreement is executed,
- Midterm payment of (40%) after a midterm reconciliation has been approved by BWSR and,
- Final payment (10%) made upon final grant reconciliation.

3. Grant Verifications

BWSR will annually perform financial verifications on a minimum of 10% of all grants. A minimum of four (4) counties will be selected in the BWSR north region, four (4) in the south region, and one (1) in the metro region. Grants issued in the compatible year from the previous biennium for all grant recipients in the selected counties will be verified. For instance if we are in year one of the current biennium, grants from year one of the previous biennium will be reviewed in the selected counties. Additional local governments may be added for verification as warranted. Verification of the grant recipient's expenditures will determine compliance with statute, rule, and the grant agreement.



### **What's new in this policy?**

1. Random verification of ten percent of all grants being annually,
2. Annual monitoring of all grants and improved documentation,
3. On Line Journal for added documentation of monitoring efforts,
4. Three scheduled payments for competitive conservation project grants and
5. Monitoring and financial verification report to the board in June of each year.

### **What's combined as a result of the new policy**

1. NRBG Match Verification Process is discontinued and rolled into the 10% verification process
2. SWCD Web reviews are included in the annual monitoring efforts
3. Cost Share closeout process is rolled into the 10% financial verification process
4. Potential For:
  - a. PRAP to be combined with verifications
  - b. WCA Spot Checks to be done consistent with verifications

## How We Got There

The following options were considered by the Grants Monitoring Work Group and are based on the FY 2011 issuance of 1,200 grants.

- 1) **Strict Reconciliation as per OGM Policies:** This option would require switching all BWSR grants to a reimbursement schedule. The workgroup assumed a quarterly invoice and reimbursement schedule. BWSR issued 1,200 grants in FY2011. The team used this number in its development of cost estimates.
- 2) **Grants Monitoring Team 180 Option:** This option proposes a two phased approach. Phase 1 would require annual monitoring of all BWSR grants (1,200) after the February 1 deadline. Phase 2 would enact a system of verifying the financial reconciliation on a random basis for 10% of BWSR's grants and all grants over \$50K. This would result in 180 grants requiring verification each year.
- 3) **Grants Monitoring Team 120 Option:** This option proposes the same two-phased approach listed in option 2, but the number of grants verified is based only on 10% of the total grant number or approximately 120 grants.
- 4) **Competitive Grants Scheduled Payment Options:** This option distinguishes competitive grants from conservation program and operation grants (CPOG) (i.e. base grants). This option proposes that competitive grants be set up on a reimbursement schedule with one upfront payment, a midpoint reimbursement/reconciliation, and a final reconciliation and payment based on invoices and reporting requirements. CPOGs would be annually monitored and staff will review all required annual reports in conjunction with the appropriate reporting deadline. This combined approach strengthens BWSR's annual monitoring and documentation of CPOGs, while putting more emphasis on a reimbursement for competitive grants.
- 5) **The recommended approach combines elements of options 3 and 4 and results in a process that requires :**
  - Annual monitoring of all grants
  - Payments for competitive conservation program grants on a pre-determined schedule
  - Ten percent verification of all grants on an annual basis

## Rationale for Recommended Option

The grants monitoring team believes that the combination of annual monitoring of all grants, scheduled payments for competitive grants, random financial reconciliation of 10% of BWSR grants, greater documentation of monitoring activities, final grant closeouts, and annual reports to the BWSR board provides comprehensive oversight that will meet or exceed the requirements of OGM policies 08-08 and 08-10.



## OGM Policies Exceptions

The recommended option requires exceptions from OGM policies 08-08 and 08-10. OGM policy 08-08 states in part that *"all advance payments on grants must be reconciled within 12 months of the beginning of the grant period."* OGM policy 08-10 states that *"It is the policy of the State of Minnesota to conduct at least one monitoring visit per grant period on all state grants of over \$50,000 and to conduct at least annual monitoring visits on grants of over \$250,000."* Policy 8-10 also states that *"State agencies must also conduct a financial reconciliation of grantees' expenditures at least once during the grant period on grants over \$50,000."*

IN FY2011 BWSR processed 1,200 individual grants, all pre-paid. Approximately 70 of these grants exceed the \$50,000 limit referenced in OGM policy 08-10, which triggers an annual monitoring visit. The workgroup believes that reconciling all 1,200 grants annually would be a great burden on existing BWSR staff and would add additional workload to already taxed LGU staff. The workgroup discussed the possibility of converting to a reimbursable approach for all 1,200 BWSR grants to avoid the annual reconciliation requirement for those under \$50,000. The workgroup concluded that the added effort required would not be manageable without additional staff. The additional effort needed at the LGU level would also likely cause problems. In addition, LGU cash flow could be hampered if BWSR went to a reimbursement based approach for all grants.

With the above rationale in mind BWSR submitted exception requests to the OGM on December 7, 2010 seeking an exception from the OGM policy 08-08 requirement that all advance payments be reconciled within 12 months. BWSR also requested exception from OGM policy 08-10 requiring financial reconciliation of grants over \$50,000 at least once during the grant period.

The exemption request proposing scheduled payments for Conservation Projects Grants from Policy 08-08 was approved on March 10, 2011. The approval of this exception requires an up-front, midterm, and final payment schedule and only for those grants where a midterm and final reconciliation will be completed prior to making payment.

We are still waiting on final approval of the Conservation Programs and Operations grants exception request.

## Comparison of Options

<b>Table 1: Grants Monitoring and Verification Estimated Additional Costs</b>		
<b>Options</b>	<b>Estimated Additional Hours</b>	<b>Estimated Additional Staff Costs</b>
<b>Option 1:</b> Strict Reconciliation as per OGM Policies	10,800	\$379,600
<b>Option 2:</b> Grants Monitoring Team 180 Option	4,704	\$164,570
<b>Option 3:</b> Grants Monitoring Team 120 Option	3,264	\$114,170
<b>Option 4:</b> Competitive Grants Scheduled Payment Options with annual monitoring of CPOGs.		
a. All Competitive Grants		
b. Competitive Grants >\$50K	2,536	\$89,440
c. Competitive Grants >\$250K	2,254	\$86,920
	2,374	\$85,430
<b><u>Recommended Option:</u></b> <b>Scheduled payments, annual monitoring, financial reconciliation, and 10% verification.</b>	2,968	\$119,510

All options, except for Option 1, will require an exception from the Office of Grants Management.

Costs are based on a rate of \$40/hr for BWSR staff time and \$30/hr for LGU staff time for a total of 1,200 grants.



**Table 2: Pros and Cons of the Reimbursement Process (Option 1)**

Pros	Cons
Reconciliation and monitoring quarterly throughout the grant period ensures compliance with OGM policies.	Number of annual transactions increases
No reconciliation on grants <\$50K	Paperwork flow may be hard to track
No OGM exception request required.	May need additional grants staff
Requires LGUs to keep current with eLINK4WEB.	Need better grants tracking system for so many transactions
The LGU may not actually need all 4 quarterly payments, as many may spend money quickly and be done in one or two quarters. They'll spend BWSR \$ first.	Less time available for field staff to do other work.
	BWSR would need to make some modifications to eLINK4WEB to address the new grant compliance requirements.
	1,200 grants equals 100 grant per BC, but number of grants will be spread unevenly, which will result in varying workloads.
	Quarterly reimbursement requests will affect work scheduling.
	Possible up-to 3 month delay in making reimbursable payments to the LGU.
	Match requirements based on the reimbursement process unclear and difficult to confirm.
	May still need closeout to confirm the match and other program requirements.
	Increased administrative costs and more steps in the process for the LGU and BWSR.
	LGUs may not be able to front the money and wait until the reimbursement transaction occurs.

**Table 3: Pros and Cons of the Grants Monitoring Proposal with Annual Monitoring and Spot Checks (Option 2 and 3)**

Pros	Cons
Annual monitoring requires less staff time than full reimbursement process (quarterly reimbursement).	Some eLINK4WEB modifications will be needed.
Results in better documentation than the current process.	Need to develop new policies and guidelines.
Spot checks provide onsite verification.	Need exception from OGM.
Annual monitoring of all grants not just those > \$50K.	Increased workload for BWSR and LGUs to report and monitor every grant.
Reconciliation and verification of CPOGs we are not currently reviewing.	
Maintains up-front payments for LGUs.	
Same grants process LGUs are used to.	
Less BWSR and LGU costs compared to Option 1.	

**Table 4: Pros and Cons of the Competitive Conservation Projects Grants Scheduled Payments (Option 4)**

Pros	Cons
Comprehensive oversight.	Scheduled payments require more administrative tracking and managing the payment process resulting in more staff time for LGUs and BWSR.
Doesn't add much additional staff time or cost.	BWSR will still need an exception from OGM.
Provides greater scrutiny for competitive grants.	
Scheduled payments allow BWSR to pay based on outcomes.	
Still includes upfront payment to help LGUs jump start projects.	
LGU controls midpoint payment time line.	



<b>Table 5: Pros and Cons of the Recommended Option</b>	
<b>Pros</b>	<b>Cons</b>
Comprehensive oversight. Combines annual monitoring of all grants with scheduled payments and reconciliations and 10% verifications.	Scheduled payments require more administrative tracking and managing the payment process resulting in more staff time for LGUs and BWSR.
Cost not prohibitive	BWSR will still need 2 exceptions from OGM.
Provides greater scrutiny for competitive grants.	Increased workload for BWSR and LGUs to report and monitor every grant and to monitor scheduled payment process.
Scheduled payments allow BWSR to pay based on outcomes.	
Still includes upfront payment to help LGUs jump start projects.	
LGU controls midpoint payment time line.	
Grant process remains basically the same for LGUs	

## FY11 Allocation Summary

	Grant Program	Number	Amounts
COMPETITIVE	Conservation Drainage	3	\$302,725
	CWF Clean Water Assistance	33	\$3,228,286
	CWF Lake Protection Challenge	13	\$99,893
	CWF Restoration Technical Assistance	12	\$1,318,887
	CWF Runoff Reduction	16	\$3,147,800
	CWF Shoreland Improvement	13	\$1,325,417
	CWF SSTS Abatement	21	\$1,357,221
	Drainage Records Modernization	3	\$130,000
	FWQMG	21	\$2,901,122
	MPCA SSTS Inventory	2	\$366,975
	MRBI	9	\$315,500
	Native Buffer	7	\$385,443
	SSTS Program Enhancement	7	\$370,573
NON-COMPETITIVE	DNR Shoreland Base	87	\$371,029
	Easement Implementation	11	\$176,000
	Easement Services	90	\$282,015
	Farm Bill Assistance	31	\$706,521
	General Services	90	\$1,707,053
	LWM Base	87	\$1,119,998
	Metro WCA Enforcement	11	\$100,000
	MPCA 09 Performance Credit	51	\$213,150
	MPCA CY '10 Performance Credit	50	\$224,535
	MPCA Feedlot Base	55	\$1,689,179
	MPCA SSTS Base	87	\$730,000
	MPCA SSTS Base		\$133,997
	MPCA SSTS Educational Stipend	12	\$18,000
	NPEA Base	8	\$1,060,000
	State Cost Share Base	90	\$1,161,081
	SWCD MN Walk-In	15	\$71,570
	Southern MN Flood Recovery – Phase 1	22	\$863,200
	Southern MN Flood Recovery – Phase 2	14	\$866,000
	WCA Base	87	\$1,874,412
Total		921	\$28,617,583
Clean Water Funds			



Grants Monitoring Verification Implementation Schedule			
Action	Implementation Date	Who Responsible	Other Action Needed
G-Team Review Recommended GMT Policy	May 26, 2011	Ron/Dave	G-Team decision needed
SMT Update	June 2, 2011	Ron, Wayne	Finalize status report and policy.
GPP Committee	June ?	Dave	Ron and Wayne in support
Board Packet	June 10, 2011	Ron	
Board Action Item	June 10, 2011	Ron	
Board Presentation	June 22, 2011	Dave	Ron and Wayne will assist with the presentation.
Finalize Forms and Guidance	July 11, 2011	Work Team	
Select Counties	July 11, 2011 July 12, 2011 (SMT)	Dave and Regional Supervisors	
Verification Team Assignments	July 12, 2011 (SMT)	SMT	
Notify BC's	July 15, 2011	Dave	
Train Verification Team Members	July 15 <sup>th</sup> to August 1 <sup>st</sup> , 2011	Work Team	
Notify Counties	July 18, 2011	Dave	
Short Term electronic Journal	August 1, 2011	OAS/IT	Conor discuss electronic options with IT staff and Ron talks with regional OAS on options.
Record Retention of Verification Materials	August 1, 2011	Kari/Carla	Find location of information on W: or S: drives.
Develop DRAFT Compliance Policy	September 28, 2011 (BWSR Board Meeting)	Dave	Look at NRBG match verification compliance policy.

## SELECTED GRANTS TERMS AND PROCESSES

The following are, in some cases, new terms for old processes. These terms now align with OGM policy for these terms. We believe, the implementation of these as described, will meet OGM and OLA policy and requirements.

**Monitoring** – The focal point for monitoring is to review, and equally important, to document that the grantee is making progress implementing the grant and complying with the grant agreement. *Not new. LGU office visit optional as needed.*

- Required of all grants
- Accomplished via
  1. eLINK detailed report (annual, semi-annual, and final) reviews and status updates
  2. Website reporting checks
  3. Memos
  4. Work plan approvals
  5. emails
  6. Reconciliations
  7. Grantee office visit (documented)
  8. Phone call (documented)
- eLINK "Journal" coming

**Closeout** – Initiated by LGU after all grant funds have been spent or grant agreement expires. *Performed in BC's office.*

- Required for State Cost Share (Base, CWMP, FWQM, Native Buffer, Disaster grants, CWL, CWF and other grants as required).
  1. LGU submits and BC approves Final Report
  2. LGU submits Final Financial Report
  3. LGU submits Return of State Grant Funds form (if needed)
- This term used to mean *verification*. See below. The old Cost Share Close-Out, conducted in the SWCD office, is discontinued as of now. This former procedure will be rolled into the future verification procedure.

**Reconciliation** – Review of project expenses based on LGU submittal of invoices and reports. *Performed in the BC's office.* Procedure used to approve final grant payment.

- Procedure currently applies only to competitive grants
- Refer to FY 10 -11 Final Payment Authorization for BWSR Competitive Grants

**Verification** – Reconciliation with demonstrated evidence of expenditures. *Most often conducted in the LGU office on 10% of all grants.*

- *This procedure is not currently required.*
- Scheduled to be implemented in the summer of 2011.

The old NRBG Match Verification, conducted in the LGU office, is discontinued as of now. This former procedure will be rolled into the future verification procedure.



## Grants Monitoring, Reconciliation, and Verification Policy

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**WHEREAS**, Board Resolution #10-05, Implementation of Minnesota Grants Management Policies, adopted at the January 28, 2010 Meeting, resolved compliance with Minnesota Grants Management Policies, excluding policy 08-08 (Policy on Grant Payments) and 08-10 (Policy on Grant Monitoring); and,

**WHEREAS**, the Office of the Legislative Auditor issued a report on May 27, 2010 that found that BWSR was not in full compliance with policies 08-08 and 08-10; and

**WHEREAS**, a staff team was established in May 2010 to bring BWSR into compliance with these policies while establishing a unified system to monitor, close out, reconcile, and verify grant activities that will increase grant program administrative efficiency, while continuing to ensure a high degree of compliance and substantial project outcomes; and

**WHEREAS**, on March 10, 2010, the Board received an exception from the Office of Grants Management on Policy 08-08 which requires annual reconciliation on all grants receiving advance payments, and has requested an exception to policy 08-10 which, if granted, will establish a three-payment and reconciliation schedule for all competitive grants; and,

**WHEREAS**, the implementation of the BWSR Grants Monitoring, Reconciliation, and Verification Policy will result in the:

- Annual monitoring of all grants in accordance with policy 08-10; and,
- Make competitive grant payments in three parts, with each grant being reconciled prior to making the second and third payments; and,
- Perform annual financial verifications of grant reconciliations on ten percent of grants in compliance with Policy 08-08 and 08-10; and,

**WHEREAS**, in the current Board Resolution # 10-64, Revising Cost Share Grant Program Closeout Procedures resolved elements concerning Soil and Water Conservation District Grant Closeout Reporting, BWSR Monitoring Procedures, and BWSR Closeout Procedures, are incorporated into the BWSR Grants Monitoring, Reconciliation, and Verification Policy; and

**WHEREAS**, the Grants Program and Policy Committee reviewed the Grants Monitoring, Reconciliation and Verification Policy on June 13, 2011 and recommends the Board adopt said policy.

**NOW THEREFORE**, be it resolved that the Board adopts the *BWSR Grants Monitoring, Reconciliation, and Verification Policy* and rescinds the Board Resolution # 10-64.

Date: \_\_\_\_\_

\_\_\_\_\_  
Brian Napstad, Chair  
Board of Water and Soil Resources

Attachments:      (1) Board Resolution #10-05, Implementation of Minnesota Grants Management Policies  
                             (2) BWSR Grants Monitoring, Reconciliation, and Verification Policy  
                             (3) Board Resolution #10-64, Revising Cost Share Grant Program Closeout Procedures



## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

Authorizing the FY12 Clean Water Fund  
Competitive Grants Program

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business

Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: Land and Water Section

Contact: Dave Weirens

Prepared by: Dave Weirens

Reviewed by: Grants Program and Policy Committee Committee(s)

Presented by: Dave Weirens

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☐ Other Supporting Information

### Fiscal/Policy Impact

☐ None

☐ Amended Policy Requested

☒ New Policy Requested

☐ General Fund Budget

☐ Capital Budget

☐ Outdoor Heritage Fund Budget

☒ Clean Water Fund Budget

☐ Other: \_\_\_\_\_

### ACTION REQUESTED

The Board is requested to adopt the recommendation of the Grants Program and Policy Committee to adopt the FY2012 Clean Water Fund Competitive Grants Policy and authorize staff to finalize, distribute and promote a request for proposals for these grants.

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

BWSR expects to be appropriated Clean Water Funds as part of an enactment of the FY12-13 State biennial budget. In anticipation of this, staff have prepared the FY2012 Clean Water Fund Competitive Grants Policy and request for proposals. These documents are based on the Legacy Legislation that was being considered as the Legislature adjourned on May 23, 2011. In addition, BWSR has been in communication with the Minnesota Department of Health and the Minnesota Department of Agriculture regarding adding related implementation programs to this RFP. Preparation of these program documents and having Board approval will minimize any delay associated with implementation following enactment of a State budget.

The Grants Program and Policy Committee met on June 13, 2011 and will meet on June 21, 2011 to review documents associated with this resolution.





# FY 2012 Clean Water Fund Competitive Grants Policy

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## Purpose

The Clean Water Fund was established to implement part of Article XI, Section 15, of the Minnesota Constitution, with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams and to protect groundwater and drinking water sources from degradation. The purpose of this policy is to provide expectations for implementation activities conducted via Board of Water and Soil Resources (BWSR) Clean Water Fund (CWF) grants.

BWSR will use grant agreements for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties or future sanctions on the grant recipient.

## 1.0 Applicant Eligibility Criteria and Requirements

Local government units (LGUs) are eligible to receive grant funds if they are working under a current state approved and locally adopted local water management plan<sup>1</sup> or implementing an approved total maximum daily load (TMDL). All activities must be consistent with a current watershed management plan, county comprehensive local water management plan, metropolitan local water plan, metropolitan groundwater plan, and surface water intake plan or well head protection plan that has been state approved and locally adopted by October 1, 2011. The FY 2012 Clean Water Fund Request for Proposals (RPF) may identify more specific requirements or eligibility criteria when specified by statute, rule or appropriation language.

## 2.0 Match Requirements

A non-state match equal to at least 25% of the amount of Clean Water Funds requested and/or received is required, unless specified differently in the RFP document. Matching

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<sup>1</sup> For the purposes of this policy watershed management organizations and metro watershed districts are not eligible if the management plan is more than 10 years beyond the BWSR plan approval date unless the plan states a lesser period of time; non-metro watershed districts are not eligible if the plan is more than 11 years 3 months beyond the BWSR approval date; and counties are not eligible if the management plan is more than 10 years beyond the BWSR approval date unless properly extended.

cash or in-kind cash value provided by a landowner, land occupier, local government or other non-state source may be used to match CWF grants.

### **3.0 Eligible Activities**

The primary purpose of activities funded with grants associated with the Clean Water Fund is the control, reduction, or prevention of chemical or nutrient runoff, soil erosion, sedimentation, or materials that affect human or aquatic system health. Eligible activities can consist of structural practices and projects, non-structural practices and measures, project support activities, and grant administration and reporting. Technical and engineering assistance necessary to implement these activities are considered essential and are to be included in the total project or practice cost.

#### **3.1 Structural Practices and Projects:**

##### **3.1.1 Best Management Practices**

- a. Must be designed and maintained for a minimum effective life of ten years,
- b. Operation and maintenance for the life of the practice shall be included with the design standards,
- c. An inspection schedule, procedure, and assured access shall be included as a component of maintaining the effectiveness of the practice, and
- d. The local unit of government must provide assurances that the landowner or land occupier will keep the practice in place for its intended use for the expected lifespan of the practice. Such assurances may include easements, deed recordings, enforceable contracts, performance bonds, letters of credit, and termination or performance penalties. BWSR may allow replacement of a practice that does not comply with expected lifespan requirements with a practice that provides equivalent water quality benefits.

##### **3.1.2 Capital Improvement Projects**

- a. Must be designed and maintained for a minimum effective life of 25 years,
- b. Operation and maintenance for the life of the project shall be included with the design standards,
- c. An inspection schedule, procedure, and assured access for maintenance shall be included as a component of maintaining the effectiveness of the project, and
- d. The local unit of government must provide assurances that the landowner or land occupier will keep the project in place for its intended use for the expected lifespan of the project. Such assurances may include easements, deed recordings, enforceable



contracts, performance bonds, letters of credit and termination or performance penalties. BWSR may allow replacement of a practice or project that does not comply with expected lifespan requirements with a practice or project that provides equivalent water quality benefits.

### **3.1.3 Livestock Waste Management Practices**

- a. The application of conservation practice components to improve water quality associated with livestock management systems that were constructed before October 23, 2000 are eligible for funding.
- b. Eligible practices and project components must meet all applicable local, State, and Federal standards and permitting requirements. Funded projects must be in compliance with standards when the project is complete.
- c. Eligible practices are limited to best management practices listed by the MN USDA-NRCS.  
(<http://efotg.sc.egov.usda.gov/references/public/MN/2011EQIPpayschedMAR9.pdf>).
- d. Funding is limited to feedlots that are not classified as a Concentrated Animal Feeding Operation (CAFO) and have less than 500 animal units (AUs), in accordance with MN Rule Chapter 7020.
- e. BWSR reserves the right to deny, postpone or cancel funding where financial penalties related to livestock waste management violations have been imposed on the operator.
- f. Feedlot Roof Structure is an eligible practice with the following condition:
  - 1) Flat rate payment: The maximum grant for a feedlot roof structure is \$150 per registered animal unit (NRCS EQIP Rate) or \$100,000, whichever is the lesser amount. Funding is not eligible for projects already receiving flat rate payment equaling or exceeding this amount from the NRCS or other State grant funds.
- g. Feedlot relocation is an eligible practice, with the following conditions:
  - 1) The existing eligible feedlot must be permanently closed in accordance with the local and State requirements and, thereafter, is no longer eligible for Clean Water Funding. Closure activities at the existing feedlot include fence removal, waste storage facility closure and seeding, but funding is not authorized for removal or land application of manure from an open lot or waste storage facility.
  - 2) The relocated feedlot must be in compliance with all environmental requirements.
  - 3) Maximum grant for feedlot relocation is \$1,000 per registered animal unit, or \$100,000, whichever is the lesser amount.
  - 4) The existing and relocated livestock waste management systems sites are considered one project for grant funding.

- h. An alternatives analysis prepared by a technical provider, which documents the most practicable and feasible alternative, is required to be submitted with the grant application to BWSR for the following:
  - 1) Livestock management systems proposing the construction of roof structures under section 3.1.3(f),
  - 2) Projects proposing a feedlot relocation under section 3.1.3(g), and
  - 3) Any livestock management system that results in \$100,000 or more in State Clean Water Funds being directed to an individual livestock waste management project.
- i. Relevant technical and/or engineering expertise is required to develop, install, and inspect livestock waste management projects.

#### **3.1.4 Subsurface Sewage Treatment Systems**

- a. Only identified imminent threat to public health systems (ITPHS) are eligible for grants funds.
- b. All applicants must document adoption of local low income criteria and thresholds for individual landowners receiving Clean Water Funds.
- c. Small community wastewater treatment systems involving multiple landowners are eligible for funding, but must meet all Minnesota Public Facility Authority (PFA) requirements of the Small Community Wastewater Treatment Program.
- d. In an unsewered area that is connecting into a sewer line to a municipal waste water treatment plant (WWTP), the costs associated with connecting the home to the sewer line is eligible for funding pending review from the PFA.

### **3.2 Non-Structural Practices And Measures**

- 3.2.1** Non-structural practices and activities that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation are eligible.
- 3.2.2** Incentives may be used to encourage landowners to install or adopt land management practices that improve or protect water quality. Incentive payments and enhanced protection measures should be reasonable and justifiable, supported by LGU policy, consistent with prevailing local conditions, and must be accomplished using established standards. All incentives must have a minimum duration of at least 3 years with a goal of ongoing landowner adoption.



### **3.3 Project Support Activities**

Community engagement, outreach, and other activities, which directly support or supplement the goals and outcomes expected with the implementation of items identified in 3.1 and 3.2 above.

### **3.4 Grant Management and Reporting**

- 3.4.1** All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. The grant funds may be used for local grant management and reporting that are directly related to and necessary for implementing the project or activity.
- 3.4.2** Applicants, who have previously received a grant from BWSR, must be in compliance with BWSR requirements for grantee website and eLINK reporting before grant execution and payment.

## **4.0 Ineligible Activities**

Projects or practices that address the following will not be considered:

- a. Stormwater conveyances that collect and move runoff, but do not provide water quality treatment;
- b. Municipal wastewater treatment or drinking water supply facilities;
- c. Enforcing existing state minimum standards;
- d. Routine maintenance activities within the effective life of existing practices or projects;
- e. Activities having the primary purpose of water quality monitoring or assessment.
- f. Livestock Waste Management Systems activities:
  - 1) That provide partial compliance with standards when the project is completed;
  - 2) Buildings;
  - 3) Feed storage facilities;
  - 4) Feeding facilities and equipment;
  - 5) Manure application equipment;
  - 6) Barn cleaners and flush systems; and
  - 7) Building foundation costs not associated with a manure storage facility.
- g. Subsurface Sewage Treatment Systems (SSTS) activities:
  - 1) Small community wastewater treatment systems serving over 10,000 gallons per day with a soil treatment system, and
  - 2) A small community wastewater treatment system that discharges treated sewage effluent directly to surface waters without land treatment.

## **5.0 Structural Practice and Project Requirements**

In order to insure long-term public benefit of structural practices and projects, the following requirements must be met by all grant recipients.

### **5.1 Technical and Engineering Components**

Technical and/or engineering expertise is required to develop, install, and inspect projects. Grant recipients will be required to submit documentation in their work plan outlining:

- a. Who will provide technical assistance for each of the practices or projects to be implemented, their credentials for providing this assistance, or the method for selecting appropriate technical providers, and
- b. Approved design, construction, operation, and maintenance standards for the practices or projects to be implemented.

BWSR reserves the right to review the qualifications of all persons providing technical assistance.

### **5.2 Practice or Project Construction and Sign-Off**

The LGU shall verify that the practice or project was properly installed and completed according to the plans and specifications, including technically approved modifications, prior to authorization for payment by the LGU.

### **5.3 Post Construction and Follow-Up Activities**

To ensure that a practice or project is functioning properly, an operation and maintenance plan tailored to fit the site shall be developed. The operation and maintenance plan should identify all of the maintenance activities that are needed and specify how they will be accomplished. The plan shall be reviewed with the land owner or occupier before installation of the practices or projects.

LGUs shall assure that the operation and maintenance plan is being followed and that the practices or projects are functioning as designed by conducting periodic site inspections.

## **6.0 Grantee Administration of Clean Water Fund Grants**

LGUs have the responsibility to approve expenditure of funds within their organization. The LGU administering the grant must approve or deny expenditure of funds. The action taken must be documented in the LGU board's meeting minutes.



All LGU expenditure of funds providing financial assistance to landowners requires a contract with the landowner or land occupier. The contract must adequately address all the lifespan and operation and maintenance requirements of the practice or project as provided by this policy. The contract must specify what LGU enforcement provisions are, up to and including repayment of funds at a rate up to 150% of the original agreement amount. BWSR recommends all contracts be reviewed by the LGUs legal counsel.

Grant reporting, fiscal management, and administration requirements are the responsibility of the grant recipient.

## **7.0 BWSR Grant Reporting, Reconciliation, and Verification Requirements**

BWSR staff is authorized to develop grant agreements, including requirements and processes for project outcomes reporting, closeouts, fiscal reconciliations, and grant verifications.

### **7.1 BWSR Grant Reconciliation and Verification Procedures**

- a. BWSR staff will review grant recipient compliance with contractual requirements in a manner which is consistent with the policies established by the Office of Grants Management and adopted by the BWSR Board.
- b. Elements described in the project work plan will be reviewed during grant reconciliation.
- c. Project files for CWF expenditures including landowner contact information, contracts, bills and invoices, inspection schedule, structural practice and project operation and maintenance information, design plans, and miscellaneous communication must be retained by the LGU pursuant to MS 138.17 and consistent with ongoing record retention schedules.
- d. In the event there is a violation of the terms of the grant agreement, BWSR will enforce the grant agreement and evaluate appropriate actions including repayment of grant funds at a rate up to 150% of the grant agreement.

For additional guidance, see the BWSR grants manual at:  
<http://www.bwsr.state.mn.us/grants/manual/index.php#/Purpose%20&%20Scope/7/top>



## FY 2012 Clean Water Fund Competitive Grants Request for Proposal (RFP)



The Clean Water Fund was established to implement part of Article XI, Section 15, of the Minnesota Constitution, with the purpose of protecting, enhancing, and restoring water quality in lakes, rivers, and streams in addition to protecting ground water and drinking water sources from degradation. The appropriation language governing the use of these funds is in MN Special Session Laws 2011, Chapter XXX. These funds must supplement traditional sources of funding and may not be used as a substitute to fund activities or programs. Table 1 lists the various Clean Water Fund (CWF) programs available to BWSR and other executive branch agencies. Final funding decisions will be dependent on the actual funds available.

<b>Table 1: FY2012 Competitive Clean Water Grant Funding Available</b>			
<b>Agency Fund</b>	<b>FY12 Amount</b>	<b>Governmental Units Eligible for Funding</b>	<b>Required Match</b>
BWSR Clean Water Assistance Grants	\$XX,XXX,XXX	SWCDs, Watershed Districts, WMOs, Counties, Cities*, and JPBs of these organizations	25%**
BWSR Clean Water Accelerated Implementation Grants	\$X,XXX,XXX	SWCDs, Watershed Districts, WMOs, Counties, Cities*, and JPBs of these organizations	25%
BWSR Conservation Drainage Grants	\$XXX,XXX	SWCDs, Watershed Districts, WMOs, Counties, and JPBs of these organizations	25%
BWSR Community Partners Conservation Program Grants	\$X,XXX,XXX	SWCDs, Watershed Districts, WMOs, Counties, Cities*, and JPBs of these organizations	25%
MDA Ag BMP Loans	\$X,XXX,XXX	Any LGU may apply, but awards will be coordinated through existing contract holders.	Not required
MDH Well Sealing Grants	\$XXX,XXX	??	50%
<b>Total</b>	<b>\$XX,XXX,XXX</b>		
* Cities must have a state approved local water management plan. BWSR recognizes city water plans approved by a Watershed District or a Watershed Management Organization (WMO) as a State approved plan.			
**Low Income SSTs Abatement Projects require a minimum 5% match			



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

**TABLE OF CONTENTS**

<b><u>RFP GENERAL INFORMATION .....</u></b>	<b><u>3</u></b>
WHAT'S NEW FOR 2012 .....	3
BWSR ASSISTANCE .....	3
MINNESOTA DEPARTMENT OF AGRICULTURE (MDA) ASSISTANCE .....	3
MINNESOTA HEALTH DEPARTMENT (MDH) ASSISTANCE .....	3
GRANT AND LOAN CATEGORIES .....	3
APPLICANT ELIGIBILITY .....	4
PROJECT PERIOD .....	5
PAYMENT SCHEDULE .....	5
PERMITTING .....	6
NATIVE VEGETATION .....	6
APPLICATION DEADLINE AND TIMELINE FOR FY2012 CLEAN WATER FUND COMPETITIVE GRANTS .....	6
INCOMPLETE APPLICATIONS: .....	6
CWF PROJECT REPORTING REQUIREMENTS .....	7
GRANTS AND PUBLIC INFORMATION .....	7
PREVAILING WAGE .....	7
CONFLICT OF INTEREST .....	8
MINIMUM SOFTWARE REQUIREMENTS .....	8
QUESTIONS .....	8
<b><u>APPLICATION GUIDELINES .....</u></b>	<b><u>9</u></b>
BWSR CLEAN WATER ASSISTANCE GRANTS .....	10
BWSR CLEAN WATER ASSISTANCE GRANTS: <i>GENERAL REQUIREMENTS</i> .....	10
BWSR CLEAN WATER ASSISTANCE GRANTS: <i>LIVESTOCK WASTE MANAGEMENT SYSTEM SPECIFIC REQUIREMENTS</i> .....	11
BWSR CLEAN WATER ASSISTANCE GRANTS: <i>SUBSURFACE SEWAGE TREATMENT SYSTEM (SSTS) ABATEMENT SPECIFIC REQUIREMENTS</i> .....	12
BWSR CLEAN WATER ACCELERATED IMPLEMENTATION GRANTS .....	14
BWSR CLEAN WATER CONSERVATION DRAINAGE GRANTS .....	15
BWSR COMMUNITY PARTNERS CONSERVATION PROGRAM GRANTS .....	17
MINNESOTA DEPARTMENT OF HEALTH (MDH) WELL SEALING PROGRAM .....	20
MINNESOTA DEPARTMENT OF AGRICULTURE AGBMP LOAN PROGRAM .....	21

## **RFP General Information**

### **What's New for 2012**

1. Applicants who have previously received a grant from BWSR, must be in compliance with BWSR requirements for grantee website and eLINK reporting before grant execution and payment.
2. Applicants must have a current state approved and locally adopted water/watershed plan by October 1<sup>st</sup>, 2011 to be eligible to apply for funding.
3. Two new grant programs: Clean Water Accelerated Implementation Grants and Community Partners Grants.
4. The payment schedule has changed. Funds will be paid in three installments, with 50% of the funds paid upon execution of the grant agreement.
5. Match may be provided from any non-state source.
6. The grant period has been extended until December 31, 2014.
7. Community engagement and education must be incorporated when implementing practices, projects and activities.
8. Minimum software requirements are established.
9. Documentation of Conflict of Interest procedures is required for awardees.

### **BWSR Assistance**

BWSR Board Conservationists are available to help applicants with grant application development and questions. A map showing the Board Conservationist work areas is available at: [http://www.bwsr.state.mn.us/contact/BC\\_areas.pdf](http://www.bwsr.state.mn.us/contact/BC_areas.pdf).

### **Minnesota Department of Agriculture (MDA) Assistance**

Questions about the AgBMP Loan Program and requesting funds through this application can be answered by calling Dwight Wilcox or David Miller at (651) 201-6618 or [AgBMP.Loans@state.mn.us](mailto:AgBMP.Loans@state.mn.us).

### **Minnesota Health Department (MDH) Assistance**

Questions about the Well Sealing Grants and requesting funds through this application process can be answered by calling XXXXXXXX.

### **Grant and Loan Categories**

Projects must implement priority activities identified in a state approved and locally adopted local water management plan, metro county groundwater plan, local surface water management plan, surface water intake plan, well head protection plan, or activities implementing an approved total maximum daily load (TMDL).

- **BWSR Clean Water Assistance Grants.** Funds are to be used to protect, enhance and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water. Activities include structural and vegetative practices to reduce runoff and retain water on the land, feedlot water quality projects, SSTS abatement grants for low income individuals, and stream bank, stream channel and shoreline protection



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

projects. Initial funding targets for SSTS Imminent Public Health Threat Abatement Grants and Feedlot Water Quality Management Grants have been set at \$1.5 Million and \$2 Million, respectively. These are initial targets and may be raised or lowered depending on the quality and number of applications received.

- **BWSR Clean Water Accelerated Implementation Grants.** These funds are for non-structural practices and activities (such as ordinances, organization capacity, and state of the art targeting tools) that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation.
- **BWSR Conservation Drainage Grants.** These funds are for pilot projects to retrofit existing drainage systems with water quality improvement practices, evaluate outcomes and provide outreach to landowners, public drainage authorities, drainage engineers, contractors and others.
- **BWSR Community Partners Conservation Program Grants.** These funds are to be used for community partners within a LGUs jurisdiction to implement structural and vegetative practices to reduce stormwater runoff and retain water on the land to reduce the movement of sediment, nutrients and pollutants. LGUs will be the primary applicant and provide sub-grants to community partners who are implementing practices to accomplish restoration, protection or enhancement of water quality in lakes, rivers and streams and/or protection of groundwater and drinking water.
- **MDH Well Sealing Program.** (Add detail when it becomes available).
- **MDA Ag BMP Loan Program.** Approximately \$4 million will be available for eligible loans. AgBMP loans can be issued only to: rural landowners, farmers, or farm supply businesses; therefore, some urban landowners may not be eligible for AgBMP loans.

Funding through the AgBMP Loan Program for this RFP will be coordinated with successful Clean Water Fund Grant requests made through this application. The applicant will indicate in the grant application that there is a loan component in the proposal and the amount they are requesting for loans. No additional details of the loan component will be required in the grant application; however, the applicant must fully respond to all grant project description requests. Successful applicants that are awarded grants will also receive the requested loan component, subject to other AgBMP Loan Program limitations and funding availability. Simply enter the amount of AgBMP Loan funding requested in the column labeled "XXXXXX" on the budget sheets for any project with a loan component.

#### **Applicant Eligibility**

- LGUs are eligible to receive grant funds if they are working under a current (as defined below) state approved and locally adopted local water management plan or implementing an approved total maximum daily load (TMDL). All activities must be consistent with a current watershed management plan, county comprehensive local water management plan, metropolitan local water plan, metropolitan groundwater plan, surface water intake plan or well head protection plan that has been **state approved and locally adopted by October 1, 2011**. Partner organizations such as non-



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

profits, watershed groups, school districts or lake associations must work in conjunction with these eligible applicants.

- Watershed management organizations and metro watershed districts are not eligible for grants if a plan is more than 10 years beyond the plan approval dates by BWSR unless the plan specifies an earlier date (that is not less than five years beyond the BWSR approval date). Non-metro Watershed Districts are not eligible if a plan is more than 11 years and 3 months beyond the BWSR approval date. Counties are not eligible if the plan is more than 10 years beyond the BWSR approval date unless properly extended. Cities must have a state approved local water management plan. BWSR recognizes city water plans approved by a Watershed District or a Watershed Management Organization (WMO) as a State approved plan.
- Any LGU eligible to receive grants may request AgBMP Loan funds; however, successful projects will be awarded the funds under existing AgBMP contracts for the jurisdiction.

#### **Project Period**

The project period starts when the grant agreement is "executed," meaning all required signatures has been obtained. Work that occurs before this date is not eligible for reimbursement with grant funds, and cannot be used as match. All grants must be completed by December 31, 2014.

If a project receives federal funds, the period of grant agreement may be extended to equal the length of time that the federal funds are available subject to limitation. The BWSR must be notified that the project is receiving federal funds before executing the grant agreement.

AgBMP Loans are available upon execution of the respective contract amendment and is available to the LGU in perpetuity or until rescinded in accordance with existing contracts.

#### **Payment Schedule**

Grant payments will be distributed in three installments to the grantee. The first payment of 50% of the grant amount will be paid after execution of the grant agreement. However, initial grant payments will be retained until applicants are in compliance with all BWSR website and eLINK reporting requirements for previously awarded BWSR grants. The grantee will provide notification to BWSR when a minimum of 50% of the grant funds have been expended. The second payment of 40% of the grant amount will be paid once the grantee has expended the first 50% of the grant and has provided BWSR with reconciliation of these expenditures. The last 10% will be paid after all final reporting requirements are met by the established reporting timelines and grantee has provided BWSR with reconciliation of these expenditures.

AgBMP Loan funds will be disbursed to participating lenders on a cost-incurred basis in accordance with existing contracts.



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

**Permitting**

If applicable, successful applicants will be required to provide sufficient documentation that the project expects to receive or has received all necessary federal, state and local permits and meets all water quality rules including those that apply to the utilization of an existing water body as a water quality treatment device. Applicants are encouraged to contact the appropriate regulatory agencies early in the project development process to ensure potential projects can meet all applicable regulatory requirements.

**Native Vegetation**

To the extent possible, applicable projects must have vegetation planted or seed sown only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the project site as possible, and protect existing native prairies from genetic contamination. See guidance at:

[http://www.bwsr.state.mn.us/native\\_vegetation/seeding\\_guidelines.pdf](http://www.bwsr.state.mn.us/native_vegetation/seeding_guidelines.pdf).

**Application Deadline and Timeline for FY2012 Clean Water Fund Competitive Grants**

No late submissions or incomplete applications will be considered for funding.

- |                             |  |
|-----------------------------|--|
| • August 1, 2011            | Application period begins                        |
| • <b>September 15, 2011</b> | <b>Application deadline at 11:59 PM*</b>         |
| • December 15, 2011         | BWSR Board authorizes grant awards (proposed)    |
| • December 16, 2011         | Award notices sent out to applicants (proposed)  |
| • January-February 2012     | BWSR grant agreements sent out to recipients     |
| • March 15, 2012            | AgBMP Loan Program amendments sent to recipients |
| • March 30, 2012            | Work plan approval deadline                      |
| • April 30, 2012            | Grant execution deadline                         |

\*The application must be received by BWSR by 11:59 PM. Applications submitted by the applicant electronically before 11:59 PM and not electronically received by BWSR until after the deadline will not be considered.

**Incomplete Applications:**

Applications that do not comply with all application requirements will not be considered for funding, as provided below.

- Components of the application are incomplete, missing, or exceeds narrative page length requirements;
- Any required documentation is missing; and
- The match amount does not meet grant requirements.

### **CWF Project Reporting Requirements**

- All grant recipients are required to report on the outcomes, activities, and accomplishments of Clean Water Fund grants. The grant funds may be used for local grant administration and reporting that are directly related to and necessary for implementing the activity.
- BWSR CW Funds will be administered via a standard grant agreement. BWSR will use grant agreements as contracts for assurance of deliverables and compliance with appropriate statutes, rules and established policies. Willful or negligent disregard of relevant statutes, rules and policies may lead to imposition of financial penalties on the grant recipient.
- All BWSR funded projects will be required to develop a work plan including detail relating to the outcome(s) of the proposed project. All activities will be reported via the eLINK reporting system. For more information on eLINK go to:  
<http://www.bwsr.state.mn.us/outreach/eLINK/index.html>.
- Grant recipients must display on their website the previous calendar year's detailed information on the expenditure of grant funds and measurable outcomes as a result of the expenditure of funds according to the format specified by the BWSR, by March 15th of each year.
- Completed AgBMP Loan projects must be submitted in accordance with established AgBMP procedures and be included in the LGU's annual report to the MDA.

### **Grants and Public Information**

Under Minnesota Statute 13.599, responses to an RFP are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public. All other data is nonpublic until the negotiation of the grant agreement with the selected grantee is completed. After the application evaluation process is completed, all data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed.

### **Prevailing Wage**

It is the responsibility of the grant recipient or contractor to pay prevailing wages on construction projects to which state prevailing wage laws apply (Minn. Stat. 177.42 – 177.44). All laborers and mechanics employed by grant recipients and subcontractors funded in whole or in part with state funds included in this RFP shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality. Additional information on prevailing wage requirements is available on the Department of Labor and Industry (DOLI) website: <http://www.dli.mn.gov/LS/PrevWage.asp>. Questions about the application of prevailing wage rates should be directed to DOLI at 651-284-5091. The Grant recipient is solely responsible for payment of all required prevailing wage rates.



### **Conflict of Interest**

State Grant Policy 08-01, (see [http://www.admin.state.mn.us/ogm\\_policies\\_and\\_statute.html](http://www.admin.state.mn.us/ogm_policies_and_statute.html)) Conflict of Interest for State Grant-Making, also applies to BWSR grantees. Grantees' conflicts of interest are generally considered organizational conflicts of interest. Organizational conflicts of interest occur when:

- 1) A grantee is unable or potentially unable to render impartial assistance or advice due to competing duties or loyalties,
- 2) A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties, or
- 3) A grantee or potential grantee has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

### **Minimum Software Requirements**

The applicant must use Microsoft (MS) Office 2007 or newer software in order to utilize the applications MS Excel and MS Word documents.

### **Questions**

This RFP and the 2012 Clean Water Fund Policy adopted by the BWSR (<http://www.bwsr.state.mn.us/grants/index.html>) provide the framework for funding and administration of the 2012 Clean Water Fund Competitive Grant Program. Questions regarding grant applications should be directed to your area Board Conservationist or Clean Water Specialist (<http://www.bwsr.state.mn.us/contact/index.html>). Questions may also be submitted by email to [cwfquestions@state.mn.us](mailto:cwfquestions@state.mn.us). Questions submitted with BWSR's responses will be posted on the BWSR website weekly. Questions regarding the AgBMP Loan Program can be made by calling (651) 201-6618 or by email to [AgBMP.Loans@state.mn.us](mailto:AgBMP.Loans@state.mn.us).

## Application Guidelines

- Proposals should demonstrate significant, measureable project outputs and outcomes<sup>1</sup> that will help to achieve water quality objectives. As appropriate, outputs should include scientifically credible estimates of both short-term and long term pollutant reductions expected as a result of the project as well as other measures such as: acres of wetlands/forest, miles of riparian buffer or stream bank restored, acres treated by stormwater BMPs, acres of specific agricultural conservation practices implemented.
- Maps showing highly vulnerable drinking water supply management areas for the state can be found at <http://www.bwsr.state.mn.us/easements/wellhead/index.html>.
- Proposals must include one map and may include one photograph.
- Proposals must have plans for long-term maintenance and inspection monitoring for the duration of the project's effective life.
- Proposals should demonstrate that, when appropriate, a sufficient partnership exists to implement the project.
- Proposals submitted under the Clean Water Fund must request state funds that equal or exceed \$30,000. Applications submitted that do not meet this minimum dollar amount will not be accepted. Actual awards may be less than this minimum when applications receive partial funding.
- Proposals from applicants that were previously awarded Clean Water Funds will be considered during the review process for the current round of funding. Applicants that have expended less than 50% of the previous award at the time of this application will need to demonstrate organizational capacity to finalize current projects and complete new projects concurrently.
- BWSR CWF grants require a minimum match of 25% (non-state) or in-kind cash value that can be directly attributed to project accomplishments.
- Projects and practices must be of long-lasting public benefit.<sup>2</sup>
  - a. Best management practices must be designed and maintained for a minimum effective life of 10 years.
  - b. Capital Improvement Projects must be designed and maintained for a minimum effective life of 25 years and LGUs must provide assurances that the landowner or land occupier will keep the project in place for the expected lifespan of the project. Such assurances may include easements, enforceable contracts, and termination or performance penalties. Capital Improvement Projects may be part of but are not expected or required to be listed in a Capital Improvement Program.

<sup>1</sup> The term "outcome" means the result, effect or consequence that will occur from carrying out the environmental program or activity associated with the application. Outcomes may be environmental, behavioral, health related or programmatic in nature but must be quantitative. They may not necessarily be achievable within the grant agreement timeline.

The term "output" or "intermediate outcome" means an environmental activity, effort and/or associated work product related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during the grant agreement timeline.

<sup>2</sup> Effective life is the length of time that a project or practice provides the anticipated environmental benefits for which it was designed and the length of time that it is intended to remain in place. Periodic routine maintenance activities may be required to preserve treatment capacity for the life of the project or practice. This RFP sets out minimum standards for effective life. Information provided in the application that exceeds those standards will be considered in funding decisions. Work plans developed for funded applications will rely on the information provided in the application for operation, maintenance and inspection requirements.



## **BWSR Clean Water Assistance Grants**

Funds are to be used to protect, enhance and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water. Activities include structural and vegetative practices to reduce runoff and retain water on the land, feedlot water quality projects, SSTS abatement grants for low income individuals, and stream bank, stream channel and shoreline protection projects. Initial funding targets for SSTS Imminent Public Health Threat Abatement Grants and Feedlot Water Quality Management Grants have been set at \$1.5 Million and \$2 Million, respectively. These are initial targets and may be raised or lowered depending on the quality and number of applications received.

There are three types of grants under this program category:

- Clean Water Assistance Grants;
- Livestock Waste Management System Grants; and
- Subsurface Sewage Treatment System (SSTS) Abatement Grants.

### **BWSR Clean Water Assistance Grants:**

#### ***General Requirements***

Funds are to be used to protect, enhance and restore water quality in lakes, rivers and streams and to protect groundwater and drinking water. Activities include structural and vegetative practices to reduce runoff and retain water on the land, feedlot water quality projects, SSTS abatement grants for low income individuals, and stream bank, stream channel and shoreline protection projects.

#### ***Ineligible Activities***

Projects or practices that address the following will not be considered:

- Stormwater conveyances that collect and move runoff but do not provide water quality treatment;
- Municipal or industrial wastewater treatment or drinking water supply facilities;
- Enforcing existing state minimum standards; and
- That has the primary purpose of water quality monitoring or assessment.

#### ***Ranking Criteria for 2012 Clean Water Assistance Grants***

An interagency work team (BWSR, MPCA, MDA, MDH and DNR) will be reviewing and ranking all Clean Water Fund applications.

Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

<b>Table 2: Clean Water Assistance Grant Ranking Criteria</b>	
<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
<u>Project Description:</u> The proposed project demonstrates a high potential of long-term success based on project organization and management structure, partner support and community involvement within the project area.	20
<u>Anticipated Outcomes:</u> The outcomes expected upon completion of the project initiatives on the water resources are identified, including a description of the resulting primary and secondary public benefits such as pollution reduction, groundwater or drinking water protection, hydrologic restoration, or aquatic health improvement.	35
<u>Project Readiness:</u> The application has a set of specific initiatives that can be implemented soon after grant award.	20
<u>Prioritization and Relationship to Plan:</u> The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	25
<b>Total Points Available</b>	<b>100</b>

**BWSR Clean Water Assistance Grants: Livestock Waste Management System Specific Requirements**

**General Requirements**

- Eligible practices are limited to best management practices listed in the MN USDA-NRCS docket (<http://efotg.sc.egov.usda.gov/references/public/MN/2011EQIPpayschedMAR9.pdf>).
- Funding is limited to feedlots that are not classified as a Concentrated Animal Feeding Operation (CAFO) and have less than 500 animal units (AUs), in accordance with MN Rule Chapter 7020.
- Feedlot closures are ineligible for funding with Livestock Waste Management System Grant funds.
- Pollution reduction estimates must be provided for each specific livestock management system being addressed. MINNFARM program pollution estimates and index rating are required for all livestock management practices, except for:
  - Milk house waste facilities, or
  - Other alternative treatment systems (ex. silage leachate treatment).
- All State feedlot inventory data for funded projects must be up to date in the MPCA Delta Reporting system to be eligible for funding. The feedlot registration AU number in the application must be equal or less than the registration number in Delta.
- See the FY2012 Clean Water Fund Competitive Grants Policy for eligible and ineligible practices.

**Ranking Criteria for 2012 Livestock Waste Management Systems**

For purposes of the 2012 Livestock Waste Management Systems Grants, riparian areas and open lot agreement as defined as shown below.



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

- **Riparian Areas:** projects located in riparian areas will be given a higher priority for funding. Riparian is defined as:
  - 1000 feet from a lake,
  - 300 feet from a stream,
  - 300 feet from a DNR public water wetland,
  - 300 feet from a sinkhole,
  - 300 feet from open tile intake,
  - Within a drinking water supply management area (DWSMA), and
  - 300 feet from a private or public ditch.
- **Open Lot Agreement:** livestock operations that have signed an open lot agreement, have corrective actions that need to be taken to come into compliance with MN Rules Chapter 7020, and have actively pursued State and Federal funding.

Table 3: Livestock Waste Management System Ranking Criteria	
Ranking Criteria	Maximum Points Possible
MinnFARM Index	20
MinnFARM Loading (P, N, BOD)	20
Prioritization and Relationship to Plan	15
Located in Riparian Zone	25
Open Lot Agreement	20
<b>Total Points Available</b>	<b>100</b>

**BWSR Clean Water Assistance Grants: *Subsurface Sewage Treatment System (SSTS)*  
Abatement Specific Requirements**

***General Requirements***

- Only identified imminent threat to public health threat systems (ITPHS) SSTS are eligible for funding.
- Project landowners must meet low income thresholds. Applicants are strongly suggested to use existing income guidelines from the U.S. Rural Development as the basis for their definition of low income.
- Projects that are proposing to construct small community cluster systems must have previously applied to the Minnesota Public Facilities Authority (PFA) Small Community Wastewater Treatment Program and have completed the appropriate technical feasibility analysis in order to be eligible for funding. (NOTE: add link)
- See the FY2012 Clean Water Fund Competitive Grants Policy for eligible and ineligible practices.
- Projects must have a minimum nonstate match of 5%.
- Priority given to projects located in Riparian Areas: Riparian is defined as:
  - 1000 feet from a lake,
  - 300 feet from a stream,
  - 300 feet from a DNR public water wetland,
  - 300 feet from a sinkhole,

Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

- 300 feet from open tile intake,
- Within a DWSMA, and
- 300 feet from a private or public ditch.

<b>Table 4: SSTS Abatement Ranking Criteria</b>	
<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
Prioritization and Relationship to Plan	20
SSTS Located in a Riparian Zone	30
SSTS identified	50
<b>Total Points Available</b>	<b>100</b>



## **BWSR Clean Water Accelerated Implementation Grants**

These funds are for non-structural practices and activities (such as ordinances, organization capacity, and state of the art targeting tools) that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation.

### ***General Requirements***

- Projects and activities for accelerated targeting, planning, and environmental controls (i.e., special area ordinance, targeting tools) that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protects groundwater from degradation.
- Resulting outputs need to be incorporated into the next water management or comprehensive plan amendment/revision or otherwise be incorporated into routine activities resulting in increased water quality protection and enhancement or accelerated water quality restoration.
- Information, tools and project outputs that will lead to the more effective use of future implementation funding will be prioritized.

### ***Ineligible projects include:***

- Updating local water plans,
- Clean Water Partnership Phase 1 diagnostic studies or equivalent, and
- Land acquisition or easement payments.

### ***Ranking Criteria for 2012 Accelerated Implementation Grants***

<b>Table 5: Clean Water Accelerated Implementation Grants Ranking Criteria</b>	
<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
Clarity of project's goals, standards addressed and projected impact on land and water management and enhanced effectiveness of future implementation projects.	40
Prioritization and Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	25
Means and measures for assessing the program's impact and capacity to measure project outcomes.	20
Timeline for implementation.	15
<b>Total Points Available</b>	<b>100</b>

## **BWSR Clean Water Conservation Drainage Grants**

These funds are for pilot projects to retrofit existing drainage systems with water quality improvement practices, evaluate outcomes and provide outreach to landowners, public drainage authorities, drainage engineers, contractors and others.

### ***General Requirements***

All applicants, or the jurisdiction where the project work is proposed, must have submitted their current annual Public Drainage Ditch Buffer Strip Report to BWSR, if applicable.

### ***Eligible Activities***

Proposed activities must be conducted on existing drainage systems (i.e., retrofits). Eligible activities may include, but are not limited to:

- Side inlet controls to drainage ditches to reduce erosion, provide temporary detention, and sediment settling;
- Alternative tile intakes (e.g., perforated riser on an open tile intake, or dense pattern tile replacing an open tile intake),
- Buffers at side inlet or tile intake locations,
- Control structures on existing tile systems for controlled subsurface drainage,
- Woodchip Bioreactors on existing tile drainage systems,
- Technical assistance and planning to develop drainage system-scale implementation plans to achieve designated water quality and water quantity goals. The project plan should consider practices, such as culvert sizing and other hydrology management practices, on a sub watershed basis that reduce peak flows and erosion potential downstream. Plans for which technical assistance is provided must have a high potential for implementation of conservation drainage or other prioritized conservation practices, as explained in the project application, and
- Other innovative conservation drainage practices that directly improve water quality and/or manage runoff hydrology to improve water quality.

### ***Ineligible Practices:***

- Culvert replacements associated with roads,
- Bridge replacements, and
- Ambient water quality monitoring.

### ***Required Project Components and Policies***

Proposed projects must contain the following components:

- Outcomes: Proposed projects must be conducted on a reach scale or a suitable scale such that project outcomes can be evaluated,
- Outreach: The project must include an outreach component. Examples include: 1) hosting public meeting(s)/workshop(s) to discuss project objectives, benefits and results; 2) developing project fact sheets that are distributed to landowners/operators; 3) hosting field day(s) to show and discuss project objectives and outcomes on-site, and



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

- Practice Implementation: Proposed projects must have an on the ground implementation component. Projects only conducting planning will not be considered.

***Ranking Criteria for FY2012 Conservation Drainage Grants***

Project proposals will be reviewed and ranked by the interagency Drainage Management Team, with final selection by the Board of Water and Soil Resources.

<b>Table 6: Conservation Drainage Grant Ranking Criteria</b>	
<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
Problem Identification and Relationship to Plan	20
Consistency with Conservation Drainage Program Purposes	20
Project Located on a Public Drainage System	10
Project Evaluation Plan	20
Public Outreach Plans	10
Overall Proposal Quality and Completeness	20
<b>Total Points Available</b>	<b>100</b>

## **BWSR Community Partners Conservation Program Grants**

These funds are to be used for community partners within a LGUs jurisdiction to implement structural and vegetative practices to reduce stormwater runoff and retain water on the land to reduce the movement of sediment, nutrients and pollutants. LGUs will be the primary applicant and provide sub-grants to community partners who are implementing practices to accomplish restoration, protection or enhancement of water quality in lakes, rivers and streams and/or protection of groundwater and drinking water.

### ***General Requirements***

- Community partners include non-profits, citizen groups, businesses, student groups, faith organizations, and neighborhood, lake, river, or homeowner associations.
- Proposals shall indicate the types of structural and vegetative practices proposed for sub-grants to community partners to reduce stormwater runoff and retain water on the land to reduce the movement of sediment, nutrients and pollutants. An estimate of outputs (# of grants anticipated) need to be included in BWSR grant application
- The maximum dollar amount an LGU can apply for is \$150,000
  - All grants require a minimum match of 25% non-state, non-federal government cash or in-kind cash value that can be directly attributed to project accomplishments.
  - Proposed LGU sub-grant program must solicit proposals for structural or vegetative management practices that reduce storm water runoff and/or proven and effective water retention practices to keep water on the land. Broad types of practices need to be identified in the BWSR application.
- Ranking criteria and selection process for the proposed sub-grant program must be developed by the LGU and approved by BWSR prior to receiving grant funds.
- Funding contract or grant agreement template drafted by local legal advisor between the LGU and Community Partner must be reviewed and approved by BWSR prior to the LGU receiving grant funds.

### **Guidelines for Local Sub-Grants to Community Partners:**

- Grant maximum up to \$30,000 per project,
- Projects must be consistent with local water management plans or TMDL implementation plans,
- Projects must accomplish restoration, protection or enhancement of water quality in lakes, rivers and streams and/or protect groundwater and drinking water,
- Projects must have minimum life span of 10 years,
- Project outcomes must be estimated prior to receiving grant funds,
- A recipient of funds shall incorporate community engagement and public education when implementing projects and programs funded under this article, and
- To the extent possible, applicable projects must have vegetation planted or seed sown only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high



Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

diversity of species originating from as close to the project site as possible, and protect existing native prairies from genetic contamination (see guidance at [http://www.bwsr.state.mn.us/native\\_vegetation/seeding\\_guidelines.pdf](http://www.bwsr.state.mn.us/native_vegetation/seeding_guidelines.pdf)).

- All sub-grants must comply with the FY 2012 BWSR Clean Water Fund Grant policy.

***Ineligible Activities***

- Aquatic invasive species control (curly leaf pondweed, carp control),
- In-lake treatments (alum, iron filings, ferric chloride, barley straw, etc.),
- Educational events such as garbage clean-ups, etc., and
- Project enhancements – i.e., park benches, aesthetic shrubbery/plantings.

***Ranking Criteria for 2012 Community Partners Conservation Program Grants***

Table 7: Community Partners Conservation Program Grant Ranking Criteria	
Ranking Criteria	Maximum Points Possible
Clarity of project goals, projected impact, and involvement with community partners.	40
Prioritization and Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	30
Plan for assessing the programs impact and capacity to measure project outcomes.	20
LGU capacity to implement the local grant program processes and protocols.	10
<b>Total Points Available</b>	<b>100</b>

**Financial Review of Nongovernmental Organizations:** State Grant Policy 08-06, Financial Review of Nongovernmental Organizations, (see [http://www.admin.state.mn.us/ogm\\_policies\\_and\\_statute.html](http://www.admin.state.mn.us/ogm_policies_and_statute.html)) requires that before awarding a grant of over \$25,000 to a nongovernmental organization, a recent financial statement from that organization must be assessed. Items of significant concern must be discussed with the grant applicant and resolved to the satisfaction of state agency staff before a grant is awarded.

- 1) Grant applicants with annual income of under \$25,000 or who have not been in existence long enough to have a completed IRS Form 990 or audit must submit their most recent board-reviewed financial statements.
- 2) Grant applicants with annual income of over \$25,000 and under \$750,000 must submit their most recent IRS Form 990.
- 3) Grant applicants with annual income of over \$750,000 must submit their most recent certified financial audit.

For all community partner applicants requesting over \$25,000, BWSR is also requiring the following information:

- 1) Most recent audited financials (unaudited financials if audited are not available);

Grants Program and Policy Committee Draft  
Final Review on June 21, 2011

- 2) List of current Board of Directors (with all organization affiliations);
- 3) List of current Key Staff/ Members \*; and
- 4) Conflict of Interest Policy \*\*

\*Key personnel that will be working to complete this grant project, along with their roles and responsibilities.

\*\* If an organization does not have an official policy, a brief description of how the organization would handle any conflicts of interest that may occur must be submitted to BWSR.

DRAFT



**Minnesota Department of Health (MDH) Well Sealing Program**

(Need to get info from MDH)

DRAFT

## Minnesota Department of Agriculture AgBMP Loan Program

The AgBMP Loan Program provides low interest loans to farmers, rural landowners, and agriculture supply businesses to solve water quality problems. The program encourages implementation of Best Management Practices that prevent or reduce pollution problems, such as runoff from feedlots; erosion from farm fields and shoreline; and noncompliant septic systems and wells. For more information on program specifics, go to the MDA website at: <http://www.mda.state.mn.us/agbmploans>.

### General Requirements:

- AgBMP loans can only be issued to rural landowners, farmers, and farm supply businesses. Urban landowners may not be eligible for AgBMP loans. The maximum amount of an individual loan is \$100,000.
- The MDA will provide requested AgBMP Loan components for all successful grant applications, up to a maximum of \$300,000 per government unit. The amount awarded may be adjusted in coordination with prior AgBMP Loan awards.
- AgBMP Loan awards must go through one of the program's existing local governmental unit contracts. Watershed organizations, cities, townships, etc., can apply for AgBMP Loans, but the amount awarded will ultimately be added to the existing contract for the project area. The applicant must coordinate their efforts with the area's existing local AgBMP Loan program.
- AgBMP Loan awards are ONLY for implementation of proven BMPs. Research and demonstration projects are not eligible components of an AgBMP Loan request.
- AgBMP Loans are considered non state, non federal, non public MATCH.
- If an LGU is ONLY requesting AgBMP Loan funds and NO coordinating grants, then the LGU should submit their request in the usual, annual application and report that is distributed to the participating LGUs about Jan 1, 2012 and will due back to the MDA by the first Friday of Feb (2/3/2012). LGUs should NOT apply through the BWSR Competitive Grant RFP just for strictly AgBMP Loan requests.



Board Resolution # 10-

**FY 2012 CLEAN WATER FUND AND COMPETITIVE GRANTS PROGRAM:  
POLICY AND REQUEST FOR PROPOSALS**

---

**WHEREAS**, the Clean Water Fund (CWF) is established in M.S. 114D.50; and,

**WHEREAS**, the Legislature is expected to appropriate Clean Water Funds to BWSR in any special session that is called to enact a FY12-13 Biennial Budget; and,

**WHEREAS**, the Minnesota Department of Health, through interagency transfer, is expected to transfer to BWSR Clean Water Funds that are expected to be appropriated for cost-share assistance to seal unused wells; and,

**WHEREAS**, the Minnesota Department of Agriculture is expected to contribute up to \$2.0 million of Agricultural Best Management Practices Loan Program funds; and,

**WHEREAS**, the Board has authority under Minn. Stat. 103B.3369 to make grants to cities, townships, counties, soil and water conservation districts, watershed districts, joint powers organizations, and other special purpose districts or authorities with jurisdiction in water and related land resources management when a proposed project or activity implements a county water plan, watershed management plan, or county groundwater plan; and

**WHEREAS**, BWSR implementation of appropriated CWF funds is based on the Minnesota Constitution, Article XI, Section 15 which provides that funds may be “spent only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation”, and that “dedicated money under this section must supplement traditional sources of funding for these purposes and may not be used as a substitute”; and,

**WHEREAS**, the Board has previously endorsed an inter-agency granting strategy that included the MN Department of Agriculture (MDA), the Department of Natural Resources (DNR), the Pollution Control Agency (MPCA), the Department of Health (MDH), and the BWSR with the goal of effectively coordinating water quality projects funded by the CWF and the State’s General Fund, and

**WHEREAS**, the CWF implementation strategy incorporates the purpose of M.S. 114D.20 which directs the implementation of Clean Water Funds to be coordinated with existing authorities and program infrastructure; and,

**WHEREAS**, BWSR expects to receive appropriations and is preparing to make grants in the following categories for FY12:

- Clean Water Assistance Grants;
- Clean Water Assistance-Livestock Waste Management System Grants;
- Clean Water Assistance-Subsurface Sewage Treatment System (SSTS) Abatement Grants;
- Clean Water Accelerated Implementation Grants;
- Conservation Drainage Grants; and
- Conservation Partner Program Grants; and

**WHEREAS**, the FY 2012 Clean Water Assistance project proposals will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, the MDH, and the BWSR based on the following criteria:

Ranking Criteria	Maximum Points Possible
1. <u>Project Description</u> : The proposed project demonstrates a high potential of long-term success based on project organization and management structure, partner support and community involvement within the project area.	20
2. <u>Anticipated Outcomes</u> : The outcomes expected upon completion of the project initiatives on the water resources are identified, including a description of the resulting primary and secondary public benefits such as pollution reduction, groundwater or drinking water protection, hydrologic restoration, or aquatic health improvement.	35
3. <u>Project Readiness</u> : The application has a set of specific initiatives that can be implemented soon after grant award.	20
4. <u>Prioritization and Relationship to Plan</u> : The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	25
<b>Total Points Available</b>	<b>100</b>

**WHEREAS**, the FY 2012 Clean Water Assistance-Livestock Waste Management Systems project proposals will be evaluated by an interagency team consisting of staff from the MPCA and the BWSR based on the following criteria:

Ranking Criteria	Maximum Points Possible
1. MinnFARM Index	20
2. MinnFARM Loading (Phosphorus, Nitrogen, Biological Oxygen Demand)	20
3. Prioritization and Relationship to Plan	15
4. Located in Riparian Zone	25
5. Open Lot Agreement	20
<b>Total Points Available</b>	<b>100</b>



**WHEREAS**, the FY 2012 Clean Water Assistance-Subsurface Sewage Treatment System (SSTS) Abatement project proposals will be evaluated by an interagency team consisting of staff from the MPCA and the BWSR based on the following criteria:

<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
1. Prioritization and Relationship to Plan	20
2. SSTS Located in a Riparian Zone	30
3. SSTS identified	50
<b>Total Points Available</b>	<b>100</b>

**WHEREAS**, the FY 2012 Clean Water Accelerated Implementation project proposals will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, the MDH, and the BWSR based on the following criteria:

<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
1. Clarity of project's goals, standards addressed and projected impact on land and water management and enhanced effectiveness of future implementation projects.	40
2. Prioritization and Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	25
3. Means and measures for assessing the program's impact and capacity to measure project outcomes.	20
4. Timeline for implementation.	15
<b>Total Points Available</b>	<b>100</b>

**WHEREAS**, the Conservation Drainage project proposals will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, University of Minnesota, USDA-Natural Resources Conservation Service, Minnesota State University-Mankato, and the BWSR based on the following criteria:

<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
1. Problem Identification & Relationship to Plan.	20
2. Consistency with Conservation Drainage Program Purposes.	20
3. Project Located on a Public Drainage System.	10

4. Project Evaluation Plan.	20
5. Public Outreach Plans.	10
6. Overall Proposal Quality and Completeness.	20
<b>Total Points Available</b>	<b>100</b>

**WHEREAS**, the FY 2012 Community Partners Conservation Program project proposals will be evaluated by an interagency team consisting of staff from the MDA, the DNR, the MPCA, the MDH, and the BWSR based on the following criteria:

<b>Ranking Criteria</b>	<b>Maximum Points Possible</b>
1. Clarity of project goals, projected impact, and involvement with community partners.	40
2. Prioritization and Relationship to Plan: The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan or address pollutant load reductions prescribed in an approved TMDL.	30
3. Plan for assessing the programs impact and capacity to measure project outcomes.	20
4. LGU capacity to implement the local grant program processes and protocols.	10
<b>Total Points Available</b>	<b>100</b>

**WHEREAS**, the Grants Program and Policy Committee reviewed Clean Water Fund and Competitive Grants Program proposals developed by staff on June 13, 2010.

**NOW THEREFORE BE IT RESOLVED**, the Board hereby:

1. Authorizes staff to finalize, distribute and promote a Request For Proposals (RFP) for the FY2012 Clean Water Fund and Competitive Grants Program consistent with the provisions of past Clean Water Fund appropriations and those expected to be enacted in 2011, Minn. Stat. 103B.3369 and this Board resolution; and,
2. Adopts the attached FY2012 Clean Water Fund Competitive Grants Policy.

Date: \_\_\_\_\_

\_\_\_\_\_  
Brain Napstad, Chair  
Board of Water and Soil Resources

Attachment: FY2012 Clean Water Fund Competitive Grants Policy





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Farm Bill Assistance Program Grant Awards

Meeting Date: \_\_\_\_\_

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business  
Item Type: ☒ Decision ☐ Discussion ☐ Information  
Section/Region: Land and Water Section  
Contact: Dave Weirens  
Prepared by: Dave Weirens  
Reviewed by: Grants Program and Policy Committee(s)  
Presented by: Tabor Hoek

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☐ Other Supporting Information

### Fiscal/Policy Impact

☐ None ☐ General Fund Budget  
☐ Amended Policy Requested ☐ Capital Budget  
☐ New Policy Requested ☐ Outdoor Heritage Fund Budget  
☒ Other: LCCMR and DNR Funds ☒ Clean Water Fund Budget

### ACTION REQUESTED

The Board is requested to authorize the Farm Bill Assistance Grants pending passage of the Legislative Citizen Commission on Minnesota Resources (LCCMR) funding recommendations.

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The Farm Bill Assistance Program provides funds to SWCDs to hire staff to accelerate implementation of the Farm Bill as well as other state and federal conservation projects that involve grasslands and wetlands. The FY12 Farm Bill Assistance Program is expected to be funded from several revenue sources, chief among them, the Legislative-Citizens Commission on Minnesota Resources. The Board is being requested to authorize these grants in order to minimize the delay in getting funds to SWCDs following the enactment of a biennial budget.

The Grants Program and Policy Committee met on June 13, 2011 and to review documents associated with this resolution.



# PHASE XI FARM BILL ASSISTANCE GRANT REQUEST FOR PROPOSALS

**July 1, 2011-June 30, 2012**

*APPLICATION DEADLINE: June 10, 2011*

As a soil and water conservation district (SWCD) that is in the MN Pheasant Range priority area you are invited to submit an application for funding under this project. The purpose of this project is to employ staff in local SWCD offices to increase grassland and wetland program enrollment for both wildlife habitat and water quality. See the attached job description.

The budget period for Phase XI will run from July 1, 2011 through June 30, 2012. If you are interested in applying there is an application attached to this RFP that must be completed by **June 10, 2011**.

This program operates on a quarterly reimbursement basis for hours worked under the contract agreement. Farm Bill Assistance contracts will be calculated using a \$45,000 budget for 1 FTE. The contract will cover 70% of the approved budget with 25% coming from the SWCD and 5% from a local partner organization. You will be required to solicit and document this 5% support by contacting your local Pheasants Forever Chapter or other locally based group for the funding.

An addition to our funding package this year is the MN Walk In Access Program. Funding available through this program will be used in partnership with traditional FBA funding in the sense that it will utilize some of the existing staff positions and comes at a time when FBA funding falls short of the level needed to sustain the existing program. The WI funding will be distributed through a separate process but will be considered part of the annual staff budget where applicable in the 21 county project area.

The committee is looking forward to the continued work achieved by this project. We believe this is the most effective way to promote grassland and wetland conservation for water quality and wildlife habitat in the state of MN. We will again collectively invest over \$1 million in this project during Phase XI.

## PROPOSAL EVALUATION

Proposals will be evaluated on a scale of *High*, *Medium*, or *Low* based on historical performance, location within the DNR Working Lands Initiative areas, resource opportunity/need, ability to provide the necessary match, and the goals identified in your application.

## SELECTION PROCESS

A selection committee comprised of BWSR, DNR and Pheasants Forever will make recommendations for allocating available funds based on the information provided in applications submitted by June 10, 2011.



# **FARM BILL ASSISTANCE ELIGIBLE GRANT DUTIES**

The purpose of the Farm Bill Assistance Project is to accelerate the implementation of conservation programs that result in more acres of grass and wetlands for water quality and wildlife habitat. Following is a partial listing of activities relating to the work priorities of the FBA committee (DNR, BWSR and Pheasants Forever). Should you have any specific questions about eligible duties, please contact Tabor Hoek at 507-537-7260 or [tabor.hoek@state.mn.us](mailto:tabor.hoek@state.mn.us).

## **DUTIES ELIGIBLE FOR FUNDING:**

- Marketing conservation programs that achieve clean water, grass and wetland cover:  
Programs such as CRP, CCRP, WRP, WLI, WHIP, CRP Re-enrollment, MN Clean Water Funding
- Conservation plans for these programs
- Practice implementation via vendors
- Mid-contract management planning
- Guidance of landowners on non-FBA activities to appropriate staff/programs
- Attendance at training events and meetings necessary to stay up to date on private lands program offerings.

## **DUTIES NOT ELIGIBLE FOR FUNDING:**

- Non-wetland/grassland CCRP practices (waterways, windbreaks etc.)
- Tree planting/matting-SWCD tree program
- Grass planting-SWCD drill program
- Conducting a prescribed burn
- Most EQIP practices
- CSP applications
- Construction management of general conservation practices

## **MAY BE ELIGIBLE FOR FUNDING:**

- Living snowfences
- Stream bank restoration

Source: MN DNR Pheasant Plan



**FY 2012 MN Conservation Assistance Program Authorization**

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**WHEREAS**, the MN Board of Water and Soil Resources (BWSR), in partnership with the MN Department of Natural Resources (DNR), Soil and Water Conservation Districts (SWCD) and Pheasants Forever (PF), have been implementing a program called the MN Farm Bill Assistance Project to accelerate staffing efforts at the local level for implementation of the Federal Farm Bill programs and other clean water, grassland and wetland programs; and,

**WHEREAS**, BWSR acting as fiscal agent for the program, is anticipating funding from the MN Legislative Citizen Commission on Minnesota Resources (LCCMR) through the Environmental Natural Resources Trust Fund (ENRTF), BWSR Clean Water Fund technical assistance, and the DNR to make grants to SWCD's for employing staff; and,

**WHEREAS**, BWSR, DNR and PF have conducted a Request for Proposals from SWCD's for funding; and,

**WHEREAS**, BWSR has adopted the following grant and allocation policies based upon the partnership recommendations:

- Eligible SWCD's will be competitively selected to receive a 70% state funded contribution towards employment of a staff position. The staff budget is established at \$45,000/full time equivalent. The SWCD will provide a 30% cash match.
- Proposals will be evaluated based on historical performance, location within the MN pheasant range, resource opportunity/need, ability to provide match and fulfill the goals identified in the application.
- A selection committee comprised of BWSR, DNR and PF that will make recommendations for allocating available funds based on the information contained in received applications.

**WHEREAS**, the Grants Program and Policy reviewed the proposed Farm Bill Assistance Program authorization on June 13, 2011 and recommends the Board adopt the proposed allocation of funds.

**NOW THEREFORE BE IT RESOLVED**, the BWSR hereby authorizes staff to allocate up to \$313,000 from appropriated ENRTF funds, \$150,000 in funds transferred from the DNR, up to \$100,000 of available FY2011 CWF funds, and any additional available program funds consistent with the program purpose and this resolution.

Date: \_\_\_\_\_

\_\_\_\_\_  
Brian Napstad, Chair  
Board of Water and Soil Resources



## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

### Non-Point Engineering Assistance Program Policy

Meeting Date: \_\_\_\_\_

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business

Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: Land and Water Section

Contact: Dave Weirens

Prepared by: Dave Weirens

Reviewed by: Grants Program and Policy Committee(s)

Presented by: Dave Weirens and Mark Hiles

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☐ Other Supporting Information

#### Fiscal/Policy Impact

☐ None

☐ Amended Policy Requested

☒ New Policy Requested

☐ General Fund Budget

☐ Capital Budget

☐ Outdoor Heritage Fund Budget

☐ Clean Water Fund Budget

☐ Other: \_\_\_\_\_

#### ACTION REQUESTED

Adopt proposed policy that establishes program expectation and procedures.

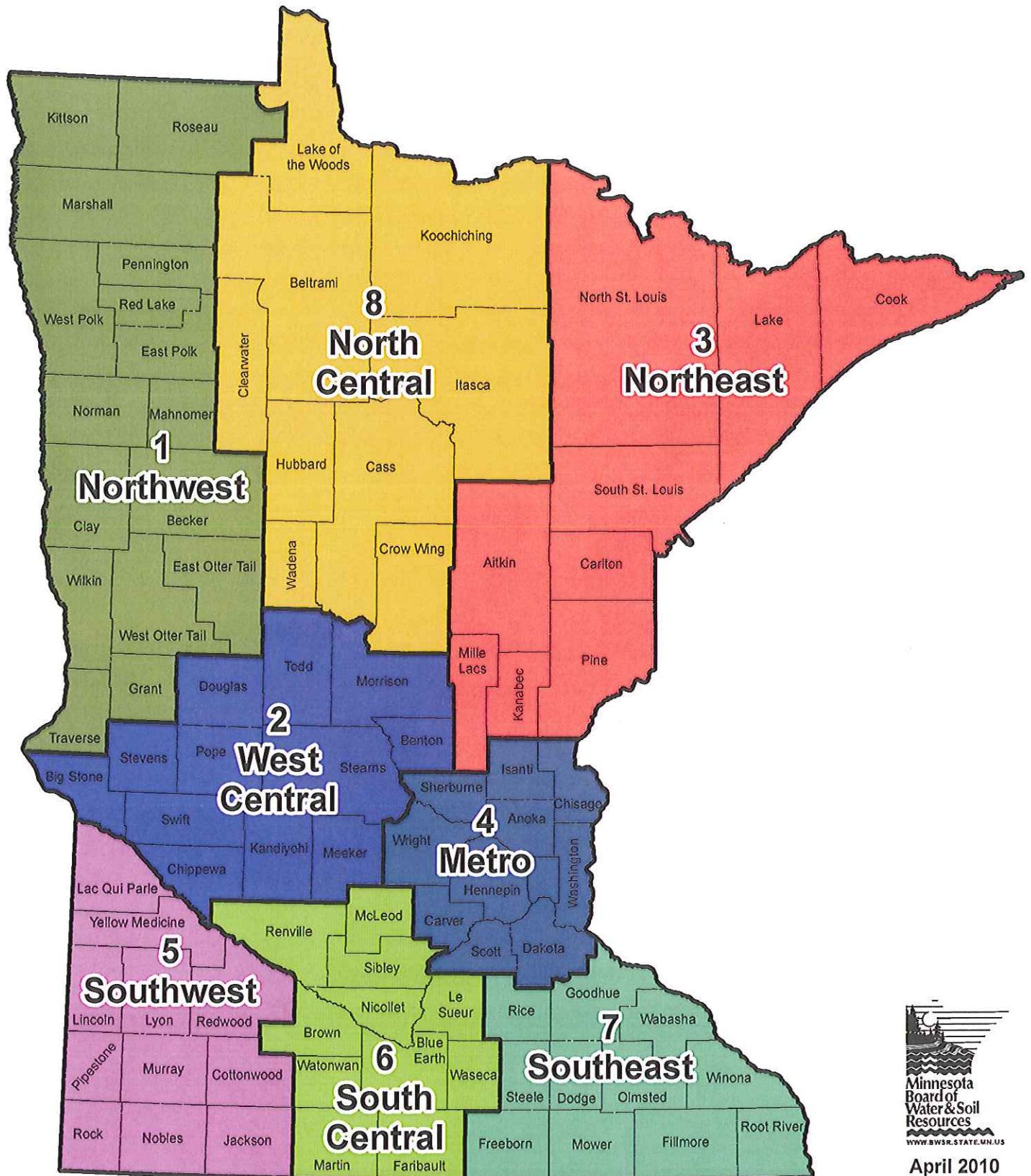
#### SUMMARY (Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)

BWSR has provided technical assistance and engineering funding to regional SWCD joint powers boards since 1995. Over the past several months a staff team has developed a Program policy that documents program expectations and operating procedures and makes updates to match current grant management policies.

The Grants Program and Policy Committee met on June 13, 2011 to review documents associated with this resolution.



# Minnesota Association of Soil & Water Conservation Districts & SWCD Technical Service Areas





# Non-Point Engineering Assistance Program

## Work Group Report:

### Developing Grant Administration Policy

*The Non-Point Engineering Assistance Program (NPEAP) helps fund the costs of providing shared engineering and associated technical assistance for the implementation of soil and water conservation, water quality, and wildlife habitat practices and projects. The NPEAP is implemented through eight Soil and Water Conservation District (SWCD) Technical Service Areas (TSAs) covering all of Minnesota, which are co-aligned with Minnesota Association of Soil and Water Conservation Districts (MASWCD) administrative areas. Each TSA is governed by a Joint Powers Organization of SWCDs. The directive of this work team is to provide clear expectations for **NPEAP grant administration and associated reporting policy**.*

**Reason for the Work Group:** Current NPEAP grant administration policy does not meet the minimum requirements of the Office of Grants Management and is not consistent with grant administration policies for other BWSR programs.

**Approach:** NPEAP Work Group was formed to develop grant administration and reporting policy. This group did not address program administration or funding allocation schedules. The work group will provide a draft policy to G-Team. The G-Team will review and provide a recommendation to the Senior Management Team (SMT). The policy will then move through the BWSR Board Grants Program and Policy Committee and the full Board for approval.

**Goals:** Develop NPEAP grant administration and reporting policy recommendations that closely adhere to other BWSR grant administration requirements and processes for adoption by the Board.

**Assumptions:** Office of Grants Management Policies. The monitoring, verification, and non-compliance procedures are based on the assumption that the Office of Grants Management approves the BWSR grant program exception requests for OGM Policies 08-08 and 08-10, or the Office of Grants Management changes these policies.

~ ~ ~ ~ ~ ~ ~

#### Program and Policy Purposes

- Program purpose and structure was reviewed and summarized for context in the recommended grant administration policies.
- Shared engineering and associated technical assistance provided through the NPEA Program and SWCD TSAs is considered essential to the conservation delivery system in Minnesota.
- Pursuant to Minnesota Statutes, §103C.231 an SWCD may join or cooperate by agreement as provided in Section 471.59 with another SWCD in an operation or project in which the SWCDs have a common interest.
- SWCD Joint Powers Organizations, associated host SWCDs and the fiscal agent SWCDs are responsible for the administration and decisions concerning the local use of these funds in accordance with applicable Minnesota Statutes, BWSR policies, and other applicable laws. BWSR will use grant agreements as contracts for assurance of deliverables and compliance with program policies.



- SWCD JPOs and member SWCDs are eligible to apply for and receive other state and federal funds that can be used for NPEAP local share / match, in accordance with the applicable program policies.

### **Eligible Activities**

The primary purpose of activities funded with NPEAP grants is to provide shared engineering and associated technical assistance for site evaluation, design, and construction of erosion and sediment control, water quality, and wildlife habitat practices and projects. This assistance is provided to and through TSA member SWCDs. The NPEAP work group defined the following four categories of eligible activities: **Technical and Engineering** (7 TSAs have staff engineers and technicians, TSA 3 has a combination engineering and forestry technician, and Metro TSA 4 hires consulting engineers and has landscape restoration technician positions as match), **Administration and Coordination** (by host SWCD(s)), **Education/Information** (training provided by TSA staff), and **Equipment and Supplies** (necessary to provide shared technical assistance). These categories are to be used as initiatives in eLINK4Web for grant work plans and reporting. The Supplies and Equipment initiative was added to eLINK to help better define the expenditures.

### **Grant Match Requirements**

When the NPEAP TSAs were consolidated and co-aligned with MASWCD boundaries in 2008, the cash local share / match requirement recommended by the Conservation Technical Assistance Committee (CTAC) was a minimum of 10% of the grant amount. This was one component of the program reorganization adopted by BWSR in resolution number 08-86. The minimum 10% cash local match is required from funds other than NPEAP grant funds, including other State, Local and Federal funds for which the JPO and member SWCDs are eligible. The anticipated source(s) shall be identified in the grant work plan.

### **Grant Work Plan and Reporting Requirements**

A key goal is to make work plan and reporting requirements for the NPEA Program more consistent with other BWSR grant program administration and processes.

- It is recommended that the eligible NPEAP activities defined above be used as initiatives in the grant work plan, which must be prepared in eLINK4Web.
- Approval of the grant work plan by BWSR is required before a grant agreement can be processed, as for other BWSR grants.
- The work group discussed language limiting administrative expenses. Attachment B of BWSR resolution 08-86 included an NPEAP funding formula that allocates \$5,000 per host and/or fiscal agent SWCD per year. It was decided that TSAs have been and continue to be motivated to minimize administrative costs and Board Conservationists review and approve NPEAP grant work plans. Therefore, no specific policy language was considered necessary.
- The work group had substantial discussion and debate about reporting both financial as well as technical assistance outcomes / accomplishments. Financial reporting via eLINK4Web (or its future replacement) is considered a given. It was considered desirable to have NPEAP reporting due at the same time as other annual reporting (February 1) and at the close of each grant agreement, as is done for other BWSR grants. Technical assistance accomplishment reporting is complicated by the fact that annual NPEAP grants with a 2-year period overlap and calendar year reporting of accomplishments works best for an annual reporting deadline of February 1. Grant management reporting needs for audits were considered to be somewhat different than accomplishments information needed for legislative purposes. Accomplishments reporting



needs of TSAs was another consideration. Calendar year accomplishments reporting could be done via an electronic form and tied to eLINK via an attachment, but calendar year reporting may include multiple grant agreements. The work group decided to recommend separating work plan reporting (financial and technical assistance outcomes tied to grant initiatives) from accomplishments reporting by calendar year. The scope and electronic method for annual NPEAP accomplishments reporting was not completed by the work group, but was anticipated to involve a spreadsheet form with at least some of the characteristics of the NPEAP accomplishments reports that were developed in previous years. Further work is necessary in this regard.

- Work group recommended grant closeout requirements that are consistent with other BWSR grants. It is recommended that these requirements apply starting with the FY 2011 NPEAP grants.
- The financial statement policy recommendation is consistent with other BWSR program requirements for SWCDs, as is the audit policy recommendation.
- The records retention policy recommendation is as applies to all state and local governments in Minnesota.

#### **BWSR Program Monitoring, Verification, and Non-Compliance Procedures**

In order to comply with the Office of Grants Management grant administration policies, the work group incorporated the following policies into the NPEAP grant policies requirements consistent with other BWSR programs. The following recommendations are proposed:

- Monitoring: As with other BWSR grant programs, BWSR staff will annually monitor all the NPEAP grants for compliance with the grant administration policy.
- Verification: Verification will be conducted for compliance with contractual requirements in a manner which is consistent with the policies established by the Office of Grants Management and adopted by the BWSR Board.
- Non-Compliance policy recommendations:
  - a. Any SWCD JPO that does not complete the work plan and reporting requirements will not be eligible to receive funds from this program until the past reporting has been completed.
  - b. Financial penalties up to 150% of the grant amount may be applied to a grant recipient that does not meet the requirements and terms of the grant agreement.

#### **Future Considerations**

- Ability to track Technical Assistance at the project level in eLINK. It is recommended that potential new reporting systems developed by BWSR incorporate the ability to track who (organization, local government unit, federal, or private) is providing technical assistance (site evaluation, design, construction) at the project level.
- Ability of SWCD JPOs to expand capacity to meet increased technical assistance needs. SWCD JPOs may be in the best position to absorb (expand or hire staff) the increased workload from BWSR appropriations that are related to Clean Water Fund implementation and Disaster Response or other unforeseen appropriations that depend on increased technical capacity to implement. How best to promote and enable SWCD TSAs to appropriately grow shared technical assistance capacity?



- Accomplishment report & guidance needs development, as well as the process for submitting it to BWSR. There was consideration that there is value provided to the TSA at a greater level of detail (e.g. by project and SWCD) than is needed by BWSR. Should not be a huge task for TSA to accomplish. The NPEAP Work Group could further explore this with NPEAP host SWCD managers and staff to identify a mutually beneficial and consistent reporting method.
- eLINK reporting and work plan guidance development will need to be updated to reflect NPEAP grant administration and reporting policies.

#### **Proposed Implementation Schedule**

May 26, 2011	G Team reviews policy
June 2, 2011	Senior Management Team (SMT) reviews policy
June 13, 2011	Grants Program and Policy Committee reviews policy
June 22, 2011	BWSR Board Action requested on the policy

#### **NPEAP Work Group Members**

Mark Hiles (chair)	Al Kean (SMT Liaison)
Brad Wozney	Chad Severts
Mary Kells	Jim Haertel
Wayne Zellmer (ex officio)	



# Non-Point Engineering Assistance Program

## Grant Administration Policy

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### Table of Contents

1.0	Program and Policy Purposes.....	1
2.0	Eligible Activities.....	2
3.0	Grant Match Requirements.....	2
4.0	Grant Work Plan and Reporting Requirements .....	2
5.0	BWSR Program Monitoring, Verification, and Non-Compliance Procedures.....	3

### 1.0 Program and Policy Purposes

The Non-Point Engineering Assistance Program (NPEAP) has been an important component of the local conservation delivery system in Minnesota since 1995. NPEAP delivery is implemented via eight Soil and Water Conservation District (SWCD) Technical Service Areas (TSAs) covering all of Minnesota, which are co-aligned with Minnesota Association of Soil and Water Conservation District (MASWCD) administrative areas. Each TSA is governed by a Joint Powers Organization (JPO) of SWCDs. NPEAP grants are used to help fund the costs of providing shared engineering and associated technical assistance for the implementation of soil and water conservation, water quality, and wildlife habitat practices and projects on private lands through member SWCDs and partners. Technical assistance and administrative activities necessary to implement this purpose are considered essential to the success of private lands conservation programs administered by BWSR and other state and federal agencies.

The purpose of this policy is to provide clear expectations for the administration of NPEAP grants and associated reporting. Pursuant to Minnesota Statutes, §103C.231, an SWCD may join or cooperate by agreement as provided in Section 471.59 with another SWCD in an operation or project in which the SWCDs have a common interest. SWCD JPO and staff are responsible for the administration and decisions concerning the local use of these funds in accordance with applicable Minnesota Statutes, BWSR policies, and other applicable laws. BWSR will use grant agreements as contracts for assurance of deliverables and compliance with applicable laws and program policies. SWCD JPO may apply for and receive other BWSR program funds in accordance with the applicable program policy.

Based on the following minimum criteria, available funds are allocated to SWCD JPO that has fully complied with all program policies:

- Past success of the SWCD JPO in providing shared engineering and associated technical assistance for conservation practices and projects to and through member SWCDs;
- Ability of the SWCD JPO to expend the funds in a timely manner; and



- The past success of the SWCD JPO in complying with the applicable minimum grant reporting requirements.

## **2.0 Eligible Activities**

The primary purpose of activities funded with NPEAP grants is to provide shared engineering and associated technical assistance for site evaluation, design, and construction of erosion and sediment control, water quality, and wildlife habitat practices and projects. Eligible activities are split into the following four categories:

- 2.1 Technical and Engineering.** A key priority for NPEAP funds is shared engineering and associated technical assistance activities and expenses for site evaluation, design, and construction of conservation practices and projects for erosion and sediment control, water quality, and wildlife habitat, in accordance with the approved grant work plan.
- 2.2 Administration and Coordination Activities.** Eligible activities include the administrative costs of the host district(s) and fiscal agent approved in the grant work plan, including: NPEAP staff training and coordination with the JPO, member SWCDs and partners.
- 2.3 Education and Information.** Eligible items and expenses include the associated costs of NPEAP staff providing training to member SWCDs and partners approved in the grant work plan.
- 2.4 Equipment and Supplies.** Eligible expenses include necessary equipment, hardware, software, and supplies, in accordance with the approved grant work plan.

## **3.0 Grant Match Requirements**

A minimum 10% cash match is required from local, other state and federal funds which the JPO is eligible to receive. The anticipated source(s) for this match shall be identified in the grant work plan.

## **4.0 Grant Work Plan and Reporting Requirements**

To ensure the continued success of the Non-Point Engineering Assistance Program, development of grant work plans and regular reporting of financials, as well as technical assistance accomplishments, are required. Guidance for developing applicable grant work plans and reporting is available on the BWSR website. This reporting shall be completed through entries and documentation provided in the work plan and reporting guidance.

- 4.1 Grant Work Plan.** Work plan approval by BWSR staff is required to receive the associated grant. Work plans shall be developed in accordance with the guidelines for entering Non-Point Engineering Assistance Program work plans and reporting available on the BWSR website. Work plans shall be developed in eLINK4Web with an initiative for each eligible activity, a description of the anticipated activity accomplishments, and grant and match funding amounts to accomplish each of the activities. Changes during the grant period deviating on spending between initiatives from the originally budgeted amounts in the work plan by greater than 10% shall follow the Board of Water and Soil Resources grant recipient administrative requirements policy.
- 4.2 Reporting.** For Fiscal Year 2011 grants and beyond, annual reporting is required on a calendar year basis by the reporting deadline established by BWSR (February 1<sup>st</sup>). The

SWCD JPO shall post and retain the annual financial statement and work plans on the SWCD JPO fiscal agent's website according to the timeline and guidelines established by BWSR.

- a. Work Plan Reporting – Descriptions of actual results and financial expenditures for each initiative must be reported according to the applicable guidelines for entering work plans and reporting available on the BWSR website. Work plan reporting is required for each grant on a calendar year basis and at the end of the grant agreement period.
- b. Accomplishments Report - Annual accomplishments reporting shall be submitted to the BWSR in accordance with the associated guidance and template provided. Accomplishment reporting is required on a calendar year basis. Accomplishment reporting shall include all projects and assistance provided by the TSA for the calendar year regardless of grant fund used to fund the project or assistance.

**4.3 Grant Closeout.** Within thirty (30) calendar days of the conclusion of each grant agreement or expenditure of all grant funds, fiscal agents of SWCD JPO are required to:

- a. Provide on-line documentation of all work plan activities completed with the grant funding;
- b. Submit a Final Financial Report to BWSR, signed by the grantee's authorized representative; and
- c. Return any unspent funds as instructed on the Returned Check Form, found on the BWSR website.

These requirements apply to FY 2011 NPEAP grants and beyond.

**4.4 Annual Financial Statement.** The SWCD JPO must submit an annual financial statement to BWSR by July 30th of each year pursuant to MN Statutes, §471.698. BWSR will then submit to the Office of the State Auditor.

**4.5 Audit.** A JPO will be audited at least once every three years or whenever the fiscal agent district total revenue since last audit reaches \$500,000. The "total revenue" figure is taken off the year-end "Statement of Revenues, Expenditures and Changes in Fund Balance" in the actual column. This is a cumulative total of fiscal agent annual revenues, thereby requiring an audit for the year in which the \$500,000 threshold is reached. The audit must be conducted by an independent certified public accountant and then submitted first to the Office of the State Auditor in draft form, and once approved, sent to BWSR.

**4.6 Records Retention.** Program files must be retained by the JPO pursuant to Minnesota Statutes, §138.17 and consistent with ongoing records retention schedules.

## **5.0 BWSR Program Monitoring, Verification, and Non-Compliance Procedures**

**5.1 Monitoring.** BWSR Board Conservationists whose work area encompasses the fiscal agent SWCD will annually monitor all the Non-Point Engineering Assistance Program grants reporting for compliance with reporting requirements of the Non-Point Engineering Assistance Program policy above.



**5.2 Verification.** Verification will be conducted for compliance with contractual requirements in a manner consistent with the policies established by the Office of Grants Management and adopted by the BWSR Board. Elements described in the grant work plan will be reviewed in the verification.

**5.3 Non-Compliance Procedures.**

- a. Non-compliance with grant work plan and reporting requirements - Any SWCD JPO that does not complete the work plan and reporting requirements in section 4 will not be eligible to receive funds from this program until all past work plan and reporting requirements have been completed.
- b. Non-compliance with the terms of the Grant Agreement - Financial penalties up to 150% of the grant amount may be applied to a grant recipient that does not meet the requirements and terms of the grant agreement.

**Non-Point Engineering Assistance Program  
Grant Administration Policy**

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**WHEREAS**, the Non-Point Engineering Assistance Program (NPEAP) is an important component of the local conservation delivery system in Minnesota; and,

**WHEREAS**, the NPEAP helps fund the costs of providing shared engineering and associated technical assistance for the implementation of soil and water conservation, water quality, and wildlife habitat practices and projects; and,

**WHEREAS**, the legislature appropriates funds to the Board for the NPEA Base Grant Program; and

**WHEREAS**, the Grants Program and Policy reviewed the proposed policy on June 13, 2011 and recommends the Board adopt said policy.

**NOW THEREFORE BE IT RESOLVED**, to provide clear expectations for the local administration of NPEAP grants in accordance with applicable Minnesota Statutes, Board policies, and other applicable laws, the Board hereby adopts the attached *Non-Point Engineering Assistance Program Grant Administration Policy*.

\_\_\_\_\_  
Brian Napstad, Chair  
Board of Water and Soil Resources

Date: \_\_\_\_\_

Attachment: *Non-Point Engineering Assistance Program Grant Administration Policy*



## **COMMITTEE RECOMMENDATIONS**

### ***Metro Water Planning Committee***

1. Wright County Local Water Management Plan Five-Year Amendment –  
Bob Burandt/Brad Wozney – ***DECISION ITEM***



## BOARD MEETING AGENDA ITEM

**AGENDA ITEM TITLE:** Wright Co. Water Mgt Plan 5-Year Amendment

**Meeting Date:** June 22, 2011

**Agenda Category:** ☒ Committee Recommendation ☐ New Business ☐ Old Business

**Item Type:** ☐ Decision ☐ Discussion ☐ Information

**Section/Region:** Metropolitan

**Contact:** Brad Wozney, Board Conservationist

**Prepared by:** Brad Wozney, Board Conservationist

**Reviewed by:** Metro Water Planning Committee(s)

**Presented by:** Robert Burandt, Brad Wozney

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

**Attachments:** ☐ Resolution ☒ Order ☒ Map ☐ Other Supporting Information

### Fiscal/Policy Impact

☒ None

☐ Amended Policy Requested

☐ New Policy Requested

☐ General Fund Budget

☐ Capital Budget

☐ Outdoor Heritage Fund Budget

☐ Clean Water Fund Budget

☐ Other: \_\_\_\_\_

### ACTION REQUESTED

Approval of the 2011 Plan Amendment to the Wright County Local Water Management Plan

#### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The Wright SWCD is currently responsible for the administration of the Local Water Management Plan 2006 – 2015 (Plan) for Wright County as delegated by the County Board of Commissioners. The county is located in the western metro area and contains three main transportation corridors: State Highway 12 through the south, State Highway 55 through the center, and I-94 through the north. Wright County is bound by the Clearwater and Mississippi Rivers to the north, McLeod and Carver Counties to the south, Meeker County to the west, and the Crow River and Hennepin County to the east. The county is blessed with a diverse and abundant mix of water resources, including over 300 lakes, 2 major river systems, many miles of creeks and ditches, and over 34,000 acres of wetlands. The total surface water comprises 16% of the county total land area.

The Wright County Water Management Task Force is a nine member advisory body appointed by the County Commissioners who provide input and direction. Members represent citizens, lake associations, cities, sportsmen's and ag groups.

The Plan expires on December 31, 2015.

Several Wright County Water Plan Task Force and Interagency Technical Advisory meetings were held throughout the planning process allowing opportunities for state and local agencies and citizen input in the plan development. Notice of intent to amend the plan was properly distributed to local units of government and state agencies in July of 2010 following the County Board's approval of a resolution on June 22, 2010. It also requested upfront input on priorities and action items. On December 1, 2010, notice was sent to LGUs and state agencies requesting comments on the draft Plan Amendment prior to the release of the formal draft. Upfront input and/or draft Plan Amendment comments were received from DNR, MPCA, and BWSR. On February 9, 2011, Wright SWCD formally released the draft 2011 Plan Amendment for LGU and state agency review. Comment letters recommending approval of the Amendment were received from MPCA and MDA.



BWSR staff provided written and verbal recommendations throughout the planning process, many of which were incorporated in the draft Plan Amendment. Wright County held a public hearing on the 2011 Plan Amendment on April 19, 2011, after proper public notice, and no additional comments were received.

The Priority Concerns and Goals to be addressed within the Plan are:

Goal A: Groundwater Quality: Provide high quality groundwater supplies to the citizens of Wright County.

Actions focus on the implementation of the following objectives:

- Increase available background information of Wright County's groundwater through monitoring, analysis, outside data sources and better information distribution
- Work to prevent failure of individual septic treatment systems (ISTS) and related sewage pollution in Wright County

Goal B: Surface Water Quality: Position Wright County to maximize local control and funding for TMDLs.

Actions focus on the implementation of the following objectives:

- Expedite the TMDL process for all of the 303d listed waters in Wright County
- Identify and prioritize all the impaired river systems and "General Development and Recreation Lakes" of Wright County

Goal C: Development Pressures: Develop regulations, educate and offer incentives to ensure orderly development with minimal impacts to Wright County's water quality. Actions focus on the implementation of the following objectives:

- Guide new development with comprehensive planning, accessible information and consideration for natural resources
- Influence existing developments and landowners use practices which reduce and/or mitigate negative human impact on natural resources

Goal D: Agricultural Land Use: Achieve countywide use of environmentally conscious practices by agricultural producers to protect and enhance Wright County's natural resources. Actions focus on the implementation of the following objectives.

- Continue Wright County's partnership with the MPCA to ensure all county feedlots are in compliance with 7020 rules.
- Influence agricultural operators to use practices which either reduce and/or mitigate negative human impact on natural resources

The Wright County Local Water Management Plan meets all requirements set forth in MS 103B and the BWSR guidance documents including:

- ☐ Focuses on the priority concerns identified in the Priority Concerns Scoping Document;
- ☐ Sets forth appropriate goals and objectives;
- ☐ Outlines a detailed five-year implementation program with measurable actions, timeline, and budget; and
- ☐ Includes all required sections.

The highlights of the Amendment include:

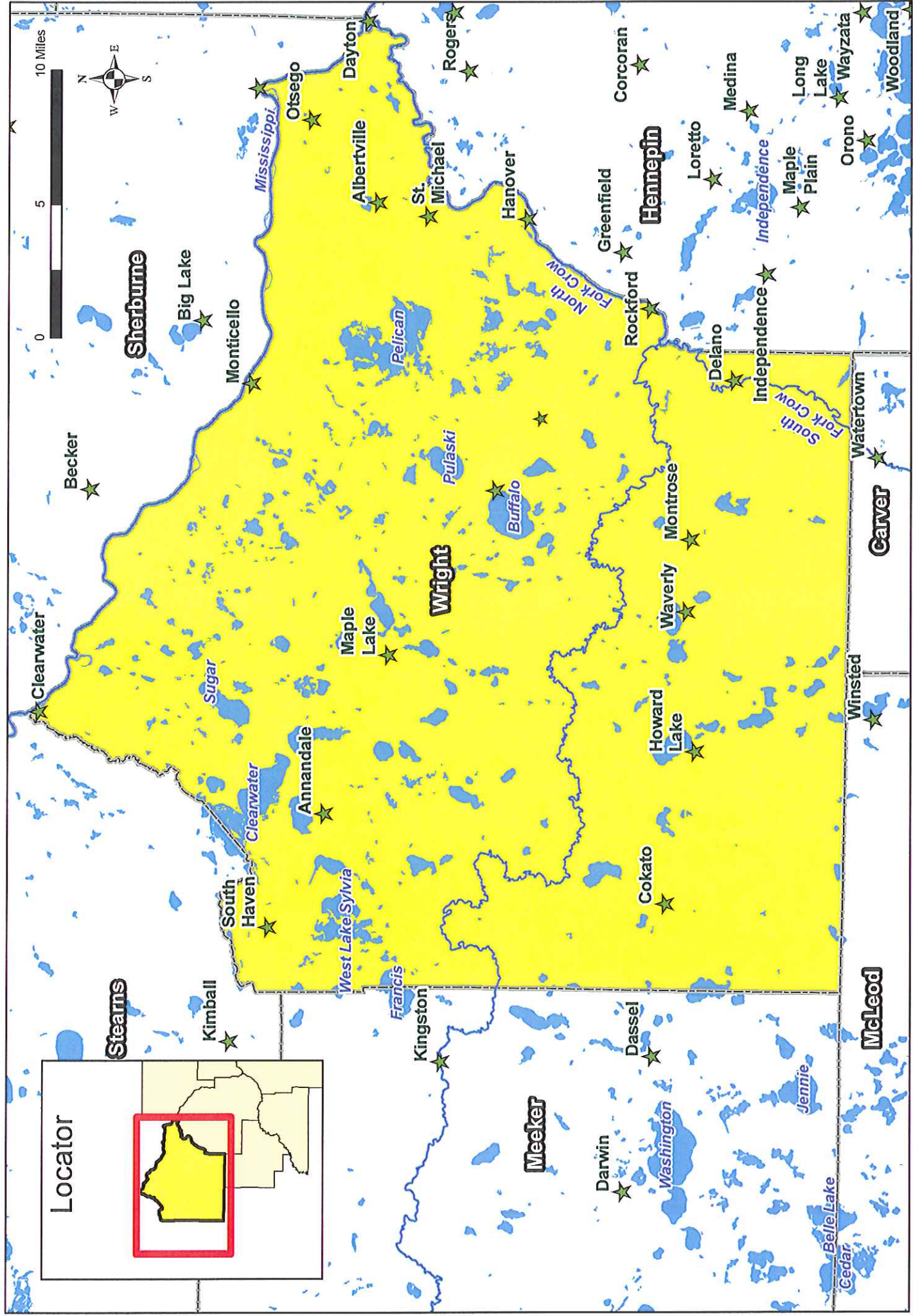
- 1) A close working relationship with the County Commissioners.
- 2) Proposed adoption of countywide erosion control and stormwater management ordinances with the intent to be one of the first counties in the state to invoke authorities in MS 103B.325 and 103B.331.
- 3) Aggressive lake and stream water quality monitoring program.
- 4) Assuming lead role on TMDL studies and other diagnostic water quality studies.
- 5) Incorporation of water plan components into the County Comp Land Use Plan.
- 6) A lake prioritization scheme for targeting and prioritizing water quality efforts.

#### Recommendation

The county has proposed comprehensive and unique strategies to address the priority concerns via the five-year implementation program. The Metro Water Planning Committee met on May 31, 2011, and recommended approval of the entire Wright County 2011 Plan Amendment to the full BWSR Board per the attached draft Order.



# Wright County





Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
St. Paul, Minnesota 55155

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In the Matter of Reviewing the Local Water Management Plan Amendment  
for Wright County (Minnesota Statutes §§ 103B.314, Subd. 6 and  
103B.315, Subd. 5.)

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**ORDER  
APPROVING**

**LOCAL  
WATER MANAGEMENT  
PLAN AMENDMENT**

**Whereas**, on September 26, 2007, the Minnesota Board of Water and Soil Resources (Board), by Board Order, approved the Wright County Local Water Management Plan Update 2006 – 2015 (Plan); and

**Whereas**, the Board Order stipulated that Wright County was required to update the implementation section by December 31, 2010; and

**Whereas**, the Wright County Board of Commissioners submitted the Wright County 2011 Plan Amendment on April 21, 2011; and

**Whereas**, this 2011 Plan Amendment contains the updated five-year implementation section as ordered by the Board; and

**Whereas**, the Board has completed its review of the 2011 Plan Amendment;

**Now Therefore**, the Board hereby makes the following Findings of Fact, Conclusions, and Order:

**FINDINGS OF FACT**

- 1) On June 22, 2010, Wright County passed a resolution to amend its current Plan by providing for the required update of the five-year implementation section, pursuant to Minn. Stat. § 103B.314, Subd. 6 and delegated the Wright Soil and Water Conservation District (SWCD) the responsibility of amending the Plan.
- 2) On July 11, 2010, Wright SWCD provided proper notice to local units of government and state agencies of the county's intent to amend its five-year implementation section and invited all recipients to participate in the amendment process.
- 3) On July 21, 2010, December 8, 2010, and March 24, 2011, Wright SWCD convened its water plan task force to review past accomplishments and proposed changes to the Plan.

- 4) On December 1, 2010, Wright SWCD provided proper notice to local units of government and state agencies requesting comments on the draft 2011 Plan Amendment prior to the formal comment period.
- 5) On February 9, 2011, Wright SWCD formally submitted the 2011 Plan Amendment, which included the 2011-2015 implementation schedule for the required state agency review.
- 6) On April 19, 2011, after providing for proper public notice, Wright County conducted a public hearing on the proposed 2011 Plan Amendment. No additional comments were received at the hearing.
- 7) On April 21, 2011, the Board received the Wright County 2011 Plan Amendment, a record of public hearing, and copies of all written comments pertaining to the 2011 Plan Amendment, pursuant to Minn. Stat. § 103B.314, Subd. 6.
- 8) On May 31, 2011, the Metro Water Planning Committee of the Board reviewed the recommendations of the state review agencies regarding final approval of the Wright County 2011 Plan Amendment. Recommendations of the state review agencies were:
  - A) Minnesota Department of Agriculture: Recommends approval.
  - B) Minnesota Department of Health: Did not comment.
  - C) Minnesota Department of Natural Resources: Did not comment.
  - D) Minnesota Pollution Control Agency: Recommends approval.
  - E) Minnesota Environmental Quality Board: Did not comment.
  - F) Minnesota Board of Water and Soil Resources metro staff: Recommends approval.

No other local unit of government provided written comments to Wright SWCD.

The Metro Water Planning Committee decided with a unanimous vote to recommend to the full Board that the Plan Amendment be approved.

- 9) This Plan Amendment will be in effect until December 31, 2015.

## **CONCLUSIONS**

1. All relevant requirements of law have been fulfilled. The Board has proper jurisdiction in the matter of approving a Comprehensive Local Water Plan Amendment of Wright County pursuant to Minnesota Statutes §§ 103B.314, Subd. 6 and 103B.315, Subd. 5.
2. The Wright County 2011 Plan Amendment attached to this Order states goals, objectives, and actions of the county and a five-year implementation program. The attached 2011 Plan Amendment, as well as the previously approved Wright County Local Water Management Plan Update 2006 - 2015, is in conformance with the requirements of Minn. Stat. § 103B.301.



## **ORDER**

The Board hereby approves the attached 2011 Plan Amendment of the Wright County Local Water Management Plan 2006 - 2015. Wright County will be required to provide for a complete update of its Water Management Plan prior to December 31, 2015.

Dated at St. Paul, Minnesota, this **22nd day of June 2011**.

**MINNESOTA BOARD OF WATER AND SOIL RESOURCES**

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BY: Brian Napstad, Chairman

## **COMMITTEE RECOMMENDATIONS**

### ***Northern Water Planning Committee***

1. Clearwater River Watershed District Plan – Quentin Fairbanks - ***DECISION ITEM***
2. Cook County Water Plan Extension – Quentin Fairbanks - ***DECISION ITEM***
3. Middle-Snake-Tamarac Rivers Watershed District Revised Plan – Quentin Fairbanks - ***DECISION ITEM***
4. North Fork Crow River Watershed District and Sauk River Watershed District Boundary Change – Quentin Fairbanks - ***DECISION ITEM***
5. Polk County Priority Concerns Scoping Document – Quentin Fairbanks - ***DECISION ITEM***
6. Establishment Hearing for the Upper Red Lower Otter Tail Watershed District – Quentin Fairbanks – ***DECISION ITEM***





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Clearwater River WD Plan Approval

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business  
Item Type: ☒ Decision ☐ Discussion ☐ Information  
Section/Region: Northern  
Contact: Jason Weinerman  
Prepared by: Jason Weinerman  
Reviewed by: Northern Water Planning Committee(s)  
Presented by: Quentin Fairbanks

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☒ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> None          | <input type="checkbox"/> General Fund Budget          |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget               |
| <input type="checkbox"/> New Policy Requested     | <input type="checkbox"/> Outdoor Heritage Fund Budget |
|   | <input type="checkbox"/> Clean Water Fund Budget      |
| <input type="checkbox"/> Other: _____             |   |

### ACTION REQUESTED

Approval of the updated 10 year Clearwater River Watershed District Plan

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

In 1975, the BWSR established the Clearwater River Watershed District. The most recent watershed district plan was approved by the BWSR on 2003 and this is a ten year plan update.

The BWSR received the plan in February of 2011. Following the arrival of the plan, a legal notice of filing was submitted to several area newspapers and mailings of the notice of filing were also sent to the appropriate county auditors, administrators, soil and water conservation districts, and cities within the watershed district. The Department of Natural Resources had no comments or objections to the plan. No other comments were received.

The Watershed District plan will be presented to the Northern Water Planning Committee on June 15, 2011. As the plan met state statutes and is non-controversial, the Committee is expected to recommend forwarding the plan to the full board for approval.

This draft item is contingent upon the Committee's final recommendation.

Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
Saint Paul, MN 55155

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**In the Matter** of prescribing a Revised Watershed  
Management Plan for the **Clearwater River**  
**Watershed District** pursuant to Minnesota Statutes  
~~Sections 103D.405~~

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**ORDER**  
**PRESCRIBING**  
**WATERSHED MANAGEMENT**  
**PLAN**

**Whereas**, the Board of Managers of the Clearwater River Watershed District (CWRWD) filed a proposed Revised Watershed Management (Plan) dated January 2011 with the Board of Water and Soil Resources (Board) on February 17, 2011 pursuant to Minn. Stat. § 103D.405, and;

**Whereas**, the Board has completed its review of the Plan;

**Now Therefore**, the Board hereby makes the following Findings of Fact, Conclusions, and Order.

**FINDINGS OF FACT**

1. **District Establishment.** The District was established on April 9, 1975 by Order of the Minnesota Water Resource Board. The District is located in the central portion of Minnesota and includes parts of, Meeker, Stearns, and Wright Counties and encompasses the Clearwater Chain of Lakes. The mission of the District is to promote, preserve, and protect water resources within the District.
2. **Requirement to Plan.** A watershed district is required to revise their watershed management plan at least once every ten years pursuant to Minnesota Statutes Section 103D.405, Subd. 1 (a). The latest Water Management Plan of the District was prescribed by the Board in 2003. The Plan includes an inventory of the District's physical features and water resources, describes water-related problems and possible solutions, describes activities and projects that the District has completed, and states objectives for current and future water resources management.
3. **Nature of the Watershed.** The Clearwater River Watershed District lies in central Minnesota and occupies land within Meeker, Stearns, and Wright Counties. The headwaters of the district are located in northeastern Meeker County, southeastern Stearns County, and northern Wright County. The Clearwater River runs into Clearwater Lake and then outlets into the Mississippi River. The upper portions of the watershed are dominated by agricultural land use while the lower portions of the watershed trend towards suburban developments.



4. **Territory.** The CWRWD is approximately 159 square miles in size and is located in central Minnesota. Lands within the District are distributed in the following counties: Meeker (29%), Stearns (34%), and Wright (37%).
5. **Local Review.** The CWRWD sent a copy of the draft Plan to local units of government for their review pursuant to Minn. Stat. § 103D.405.
6. **Department of Natural Resources Review.** The DNR had no objections nor comments to the Plan.
7. **Department of Agriculture Review.** Not required by law to review.
8. **Department of Health Review.** Not required by law to review.
9. **Pollution Control Agency Review.** Not required by law to review.
10. **Other review comments.** No other review comments received.
11. **Highlights of the Plan.** The Clearwater River Watershed District plan contains a series of “Lake Report Cards” that provide a historical sampling of the conditions of each of the lakes within the district. In addition to the status of the lakes, these report cards also provide recommendations for either maintaining lake quality or improving water quality in lakes that are seeing a decline in quality. The plan also provides broader management recommendations for land use and best management changes throughout the watershed district. Finally, as the watershed district maintains several wastewater treatment facilities, the plan does a good job of looking at the long term maintenance of these facilities.
12. **Hearing Notice.** The Legal Notice of Filing on the Plan, pursuant to Minn. Stat. § 103D.105 Subd. 2, was published in the Annadale Advocate and Eden Valley Journal Patriot on May 11, and 18, 2011, and in the Tri County News on May 12 and 19, 2011. Further, a copy of the notice of filing was mailed to several addresses notifying them of the legal notice of filing, including the Meeker, Stearns, and Wright County Auditors, Administrators, and Soil and Water Conservation Districts; all of the cities within the watershed district; and representative for the Watershed District.
13. **Public Hearing.** The Legal Notice of Filing was published pursuant to Minn. Stat. § 103D.105 Subd. 2, which requires within 30 days of the last date of publication of the Notice of Filing of the Revised Water Management Plan that a least one request for hearing be received by the Board before a hearing will be held. No request for hearing and no comments were received during the specified period of time and no hearing was held.
14. **Board Staff Report.** The Clearwater River Watershed District board and contract staff held

several planning sessions that included both members of the public and interested government officials. Once the plan was developed, the District sent a preliminary draft to the board conservationist for review and to ensure compliance with State statute and policy. The overall plan of the Clearwater River Watershed District meets the requirements of M.S. 103D.405 and follows the guidelines provided by the Board of Water and Soil Resources.

15. **Northern Water Planning Committee.** The committee met on June 15, 2011 those in attendance from the Board's Committee were *(add committee members)*. Board staff in attendance were *(add staff)*. Board staff recommend approval of the plan?. After discussion, the subcommittee unanimously voted to recommend approval of the Plan?  
(Insert recommendation following Committee Meeting)

## CONCLUSIONS

1. The proposed Revised Plan is valid in accordance with Minn. Stat. § 103D.405.
2. Proper notice of filing was given in accordance with applicable laws.
3. All relevant, substantive and procedural requirements of law and rule have been fulfilled.
4. The Board has proper jurisdiction in the matter of approving a Plan for the CWRWD pursuant to Minn. Stat. § 103D.405.
5. The attached Plan is in conformance with the requirements of Minn. Stat. Chapter 103D, Board guidelines for Watershed District Plan content, and is consistent with the affected counties' comprehensive water plans.



## ORDER

The Board hereby prescribes the attached Plan dated January 2011 as the Revised Watershed Management Plan for the Clear Water River Watershed District.

Dated at Saint Paul, Minnesota this 22<sup>nd</sup> day of June, 2011.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: \_\_\_\_\_  
Brain Napstad, Chair



## BOARD MEETING AGENDA ITEM

**AGENDA ITEM TITLE:** Cook County Water Plan Extension Request

**Meeting Date:** June 22, 2011

**Agenda Category:** ☒ Committee Recommendation ☐ New Business ☐ Old Business  
**Item Type:** ☒ Decision ☐ Discussion ☐ Information  
**Section/Region:** North  
**Contact:** Ryan Hughes  
**Prepared by:** Ron Shelito  
**Reviewed by:** Northern Water Planning Committee(s)  
**Presented by:** Quentin Fairbanks

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

**Attachments:** ☐ Resolution ☒ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> None          | <input type="checkbox"/> General Fund Budget          |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget               |
| <input type="checkbox"/> New Policy Requested     | <input type="checkbox"/> Outdoor Heritage Fund Budget |
|   | <input type="checkbox"/> Clean Water Fund Budget      |
| <input type="checkbox"/> Other: _____             |   |

### ACTION REQUESTED

Action requested to approve the Cook County Water Plan Extension to October 26, 2014

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The current Cook County Water Plan is due to expire October 26, 2012. The County is requesting that BWSR grant an extension of this expiration date through October 26, 2014. The basis for this request is recent staff turnover at the Cook SWCD and Cook County. The current water planner resigned on June 1, 2011. This extension will allow the new water plan staff to gain familiarity with the water plan process and to gain an understanding of the local water related issues. The county believes this is necessary to provide for a high quality plan. In addition, the SWCD was recently awarded a Lake Protection Challenge Grant from BWSR. This extension will allow the information collected through this grant to be incorporated into the revised plan.

The information submitted is draft contingent upon the Northern Water Planning Committee recommendation at their June 15, 2011 meeting.



**DATE:** June 8, 2011  
**TO:** BWSR Northern Water Planning Committee  
**FROM:** Ryan Hughes, BWSR Board Conservationist  
**SUBJECT:** Cook County Local Water Plan (LWP) Extension Request

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The Cook County Board of Commissioners adopted a resolution requesting an extension to the Cook County LWP at their March 22, 2011 regular meeting. Cook County submitted an extension request cover letter and the resolution to the BWSR Board Conservationist March 30, 2011. The current plan expires October 26, 2012.

The Cook County Soil and Water Conservation District (SWCD) and Cook County Water Plan Advisory Committee recommended approval of the extension request to the County Board.

The Cook County SWCD has adopted the Cook County LWP as its Comprehensive Plan and administers the LWP for the County. The Cook County SWCD is integrated with the County and has offices in the County Courthouse and works closely with other County services such as Planning and Zoning.

The basis for the request is staff turnover at both the County and SWCD. Specific positions with new staff include staff responsible for land use and wetlands permits in the County Planning and Zoning office. The SWCD has replaced all staff within the last two years: manager, technician, secretary and water planner. The current water planner resigned June 1, 2011. This extension will allow the new staff responsible for administering the LWP time to become familiar with the local issues and processes to create a more effective, updated LWP.

In addition, the SWCD was recently awarded a Lake Protection Challenge Grant from BWSR. An extension is necessary in order to utilize and incorporate the information obtained from this grant into the local water management plan.

I recommend approval of the request to extend the expiration date of the Cook County LWP and that the extension be granted for two years per M.S. 103B.311, Subdivision 4. If approved the extension would be effective until October 26, 2014.

**Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
St. Paul, Minnesota 55155**

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In the Matter of Extending the Local Water Plan  
For Cook County pursuant to M.S. 103B.311,  
Subdivision 4, Authorizing BWSR to Grant Extensions

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**ORDER EXTENDING  
LOCAL WATER PLAN**

**Whereas**, Cook County has a state approved Local Water Plan that is effective until October 26, 2012, pursuant to M.S. 103B.301, and

**Whereas**, the Board of Water and Soil Resources has authorization to grant extensions pursuant to M.S. 103B.311, Subdivision 4.

Now therefore, the Board of Water and Soil Resources hereby makes the following Findings of Fact, Conclusions and Order:

**FINDINGS OF FACT**

1. On April 4, 2011 the Board of Water and Soil Resources Board Conservationist received a cover letter and resolution from Cook County requesting an extension of their Local Water Plan.
2. The Board Conservationist recommended approval of the extension due valid circumstances related to changes in staff and to allow completion of the BWSR Lake Protection Challenge Grant to the Cook County Soil and Water Conservation District.
3. In accordance with Board of Water and Soil Resources Local Water Plan guidance, the extension request must be for two (2) years.

**CONCLUSIONS**

All relevant requirements of law and rule have been fulfilled. The Board of Water and Soil Resources has proper jurisdiction in the matter of extending the Local Water Plan for Cook County pursuant to Minnesota Statute 103B.311, Subdivision 4.

**ORDER**

The Board of Water and Soil Resources hereby approves the extension of the Cook County Local Water Plan until October 26, 2014. Dated at St. Paul, Minnesota, this 22<sup>nd</sup> day of June 2011.

By: \_\_\_\_\_  
Brian Napstad, Chairperson





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

### Middle-Snake-Tamarac Rivers Watershed District Revised Plan

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business  
Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: Norther Region

Contact: Brian Dwight

Prepared by: Brian Dwight

Reviewed by: Northern Water Planning Committee(s)

Presented by: To be determined at the June 15 NPRC

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☒ Order ☐ Map ☒ Other Supporting Information

#### Fiscal/Policy Impact

- ☒ None ☐ General Fund Budget  
☐ Amended Policy Requested ☐ Capital Budget  
☐ New Policy Requested ☐ Outdoor Heritage Fund Budget  
☐ Clean Water Fund Budget  
☐ Other: \_\_\_\_\_

#### ACTION REQUESTED

Perscribe by or the Revised Middle-Snake-Tamarac Watershed District Plan

**SUMMARY** (*Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation*)

The Middle-Snake-Tamarac Rivers Watershed District Plan update process has resulted in a very comprehensive, thoroughly thought-out plan. The Watershed District has engaged the public, local, state, and federal agencies in the process by the establishment of two committees; a citizen's advisory committee (CAC) and a technical advisory committee (TAC). In addition to the committees the Watershed District held five public input meetings throughout the District in the late winter/early spring of 2009, in which 20 to 30 citizens per session attended. The issues identified at these session along with water management concerns of the District were then divided into areas of concern and sub-committees of the CAC and TAC were established to develop goals and objectives for these areas of concern. These committees focused on education, water quality, flood damage reduction, natural resource enhancement, and erosion/sedimentation.

The individual Watershed District Board members were also very engaged in the process. All board members did a very thorough review on all the drafts of the revised plan and provided comments and discussed them as a full board as they moved through the planning process. I met with the staff and full board on many occasions to discuss and challenge them on plan content and process. These meetings gave me assurance that this board and staff were not taking this plan revision lightly. BWSR staff reviewed and provided input from not only a water management perspective but also meeting state statute (103D.405) and Flood Damage Reduction Mediation agreement requirements.

In an effort to assure that the watershed planning principles were followed, the planning processes incorporated the following actions:

- The development of a citizen's advisory committee (CAC) that brought local decision makers, landowners, and the watershed district to the planning table during the plan development stage rather than at the final review stage.
- The development of a technical advisory committee not only brought sound scientific based decision making to the process, it also allowed for dialogue to take place during the plan development stage between the policy makers and the scientific community (local, state, federal, and non-governmental organizations) leading to a better understanding of the views of all.
- The planning effort was supported by the development of hydrologic model of the watershed district. This allowed for the evaluation of the effects a project or combination of projects can have early in the project development stage leading to better coordination of project implementation.
- This planning effort was supported by a natural resource inventory and assessment process, which identified the area(s) within the watershed district that natural resource enhancement is most needed and is likely to succeed.
- In addition to the modeling and the natural resource assessment, the Department of Natural Resources inventoried the rivers and streams as well as looked at stream morphology (age and health of the rivers and streams).
- The Watershed District developed an implementation plan that is based on the nature, extent, and severity of the flood damage related issues, as well as the natural resource issues. The resulting solution alternatives will then be weighed on their ability to achieve both flood damage reduction goals and natural resource enhancement goals.

Due to a planning process which relied on the input of a cross-section of interested parties, the use of models, and scientific data to identify and prioritize flood damage reduction needs and natural resource enhancement opportunities, there now exists a high level of ownership by many in the Watershed District Plan. The process also fostered a better understanding and appreciation of the differing opinions among the participants. With the high level of interest and energy that went into these planning efforts it is expected that the Watershed District long range plan will be referred to often.

This item is draft cotingent upon the Northern Water Planning Committee's recommendation at their June 15, 2011 meeting.



Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
Saint Paul, MN 55155

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**In the Matter** of prescribing a Revised Watershed Management Plan for the Middle-Snake-Tamarac Rivers **Watershed District** pursuant to Minnesota Statutes Sections 103D.405

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ORDER  
PRESCRIBING WATERSHED  
MANAGEMENT PLAN

**Whereas**, the Board of Managers of the Middle-Snake-Tamarac Rivers Watershed District (MSTRWD) filed a proposed Revised Watershed Management (Plan) dated March 2011 with the Board of Water and Soil Resources (Board) on March 4, 2011 and final revised Plan dated May 2011 pursuant to Minn. Stat. §§ 103D.405, and;

**Whereas**, the Board has completed its review of the Plan;

**Now Therefore**, the Board hereby makes the following Findings of Fact, Conclusions, and Order.

**FINDINGS OF FACT**

1. **District Establishment.** Portions of the MSTRWD comprising of the watersheds of the Middle River and Snake River were initially established by an order of the Water Resources Board on August 28, 1970. By order of the Board on August 28, 2002 the MSTRWD was increased in size to include the Tamarac River. The order also change the name to the Middle-Snake-Tamarac Rivers Watershed District (MSTRWD)
2. **Requirement to Plan.** A watershed district is required to revise their watershed management plan at least once every ten years pursuant to Minn. Stat. § 103D.405, Subd. 1 (a). The latest Water Management Plan of the District was prescribed by the Board on October 26 1994. This Plan was amended in December 2004 for purposes of addressing water management issues in the Tamarac River watershed for which the Watershed District was expanded to include by petition from the Marshall County board of Commissioners in 2002. The Plan includes an inventory of the District's physical features and water resources, describes water-related problems and possible solutions, describes activities and projects that the District has completed, and states objectives for current and future water resource management.
3. **Nature of the Watershed.**  
The topography of the District is nearly level on the Lake Agassiz Plain to slightly undulating in the transitional and upland areas to the east. Three major flowages transect the District generally from east to west ultimately joining the Red River of the North. These include the Snake River, the Middle River and the Tamarac River. The entire District is

drained by intermittent streams which usually cease to flow by about the second week in June each year. With no natural lakes within the District boundaries, the only significant source of surface water is the Red River of the North.

4. **Territory.** The MSTRWD is approximately 1,476 square miles in size and is located in Northwestern Minnesota in the Red River of the North Basin. Lands within the District are distributed in Marshall, Kittson, Polk, Pennington, and Roseau Counties. The MSTRWD includes the watersheds of the Middle River, Snake River, and Tamarac River.
5. **Local Review.** On May 4, 2011 The MSTRWD sent a copy of the draft Plan to those required pursuant to Minn. Stat. § 103D.405. The MSTRWD also provided copies to additional local, state, and federal agencies, citizens' advisory committee, technical advisory committee, and provided access to copies for the general public at the District office and website.
6. **Department of Natural Resources Review.** Comments received from the DNR provided sources where further detailed information could be found regarding fish, wildlife and significant natural resources occurrences in the MSTRWD. They also provided some suggestive changes to the format of sections of the plan that would provide a better understanding on how the implementation of actions can affect multiple goals and policies mentioned in the Plan.
7. **Minnesota Pollution Control Agency Review.** Comments received from the MPCA provided suggested language changes that were less technical in nature, set a higher priority on actions addressing impaired waters, and were further clarifying in nature.
8. **U.S. Army Corp of Engineers Review.** Comments received from the ACOE were further clarifying in nature, in the areas of existing wetlands and grasslands in the MSTRWD, federal laws and regulations, and commended the MSTRWD for the inclusion of Clean Water Act section 404 elements throughout the Plan.
9. **Minnesota Board of Water and Soil Resources.** Comments provided by BWSR included the identification and encouragement to utilize additional studies and reports done by state agencies that inventoried and assessed resources within the MSTRWD. Other comments made were the need to provide information on planned and active projects and programs, and grammatical and clarification in nature.
10. **Highlights of the Plan.** The MSTRWD Revised Water Management Plan is a very comprehensive plan, which sets quantifiable flood damage reduction and natural resource enhancement goals for five individual planning regions covering the entire watershed district. The plan identifies actions the MSTRWD will consider implementing to meet these goals. The Plan also establishes a watershed wide monitoring system which will be used to evaluate progress in the area of stream flow reductions, water quality and overall stream



health, and refines the Army Corp of Engineers project review process for projects needing Clean Water Act Section 404 authorization, referred to as the “Points of Concurrence” process.

11. **Hearing Notice.** Legal notice of the public hearing on the Plan, pursuant to Minn. Stat. § 103D.405 Subd. 5, was published in the Warren Sheaf on May 18, and 25, 2011 (Exhibit XX), in the Crookston Times on May 18 and 25, 2011 (Exhibit XX), in the Thief River Times on May 18 and 25, 2011 (Exhibit XX), in the Stephen Messenger on May 19, and 26 2011 (Exhibit XX), in the Middle River Honker on May 21 and 28, 2011 (Exhibit XX), in the Roseau Times on May 21 and 28, 2011, and in the Kittson County Enterprise May 25, and June 1, 2011. Further, a copy of the hearing notice and map was mailed to several addresses notifying them of the public hearing, including the Marshall, Kittson, Polk, Pennington, and Roseau County Auditors, Administrators, and Soil and Water Conservation Districts; all cities within the watershed district; and representative for the Watershed District (Exhibit XX). TRAVIS NEEDS TO PROVIDE NUMBERS
12. **Public Hearing.** A public hearing was held on the Plan on June 9, 2011 at 7:00PM at the Bremer Bank Building, 202 W. Johnson Ave., Warren, MN. The proceedings were recorded. The hearing panel consisted of Northern Water Planning Committee Board members Gene Tiedemann, Keith Mykleseth, Paul Brutlag, and Quentin Fairbanks chair. Board staff in attendance was Travis Germundson, and Brian Dwight. Travis Germundson entered Exhibit 1 through Exhibit \_\_\_\_ into the record by reading a brief description of each exhibit.  
  
The following list of exhibits comprises the hearing record. *(will insert after the public hearing)*
13. **Board Staff Report.** The Plan development process provided much opportunity for public input, comment, and review. The Plan identifies quantifiable goals, objects, and actions needed to accomplish these goals. The Plan meets the requirements of 103D.405, follows the guidelines provided by Board of Water and Soil Resources, and upholds the intent of the “Red River Basin Flood Damage Reduction Work Group Agreement of December 9, 1998”.
14. **North Region Water Plan Review Committee.** The committee will meet on Wednesday, June 15, 2011, at the Beltrami County Administration Building in Bemidji Minnesota. Committee members present where \_\_\_\_ TBD June 15 \_\_\_\_\_. Board staff present where Ron Shelito and Brian Dwight. Representatives from the MSTRWD were administrator Nick Drees and \_\_\_\_ TBD JUNE 15 \_\_\_\_\_. Based on the public hearing record, the Plan meets the requirements of 103D.405, and the meeting the intent of the Flood Damage Reduction Workgroup Agreement of December 1988, the staff recommendation is to approve the Plan, the committee unanimously recommended \_\_\_\_? \_\_\_\_

## CONCLUSIONS

1. The proposed Revised Plan is valid in accordance with Minn. Stat. §§ 103D.405,
2. Proper notice of hearing was given and one public hearing was held in accordance with applicable laws.
3. All relevant, substantive and procedural requirements of law and rule have been fulfilled.
4. The Board has proper jurisdiction in the matter of approving a Revised Plan for the MSTRWD pursuant to Minn. Stat. §§ 103D.405
5. The attached Revised Plan of the MSTRWD dated May 2011 would be for the public welfare and public interest and the purpose of Minn. Stat. Chapter 103D would be served.

## ORDER

The Board hereby approves the attached Plan dated June-2011? as the Revised Watershed Management Plan for the Middle-Snake-Tamarac Rivers Watershed District.

Dated at Saint Paul, Minnesota this 22<sup>rd</sup> day of June, 2011.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: \_\_\_\_\_  
Brian Napstad, Chair





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

North Fork Crow River WD/Sauk River WD  
Boundary Change

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business  
Item Type: ☒ Decision ☐ Discussion ☐ Information  
Section/Region: Northern  
Contact: Jason Weinerman  
Prepared by: Jason Weinerman  
Reviewed by: Northern Water Planning Committee(s)  
Presented by: Quentin Fairbanks

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☒ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> None          | <input type="checkbox"/> General Fund Budget          |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget               |
| <input type="checkbox"/> New Policy Requested     | <input type="checkbox"/> Outdoor Heritage Fund Budget |
|   | <input type="checkbox"/> Clean Water Fund Budget      |
| <input type="checkbox"/> Other: _____             |   |

### ACTION REQUESTED

Approval of the Boundary Change between the North Fork of the Crow River Watershed District and the Sauk River Watershed District.

### SUMMARY (Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)

On March 11, 2011, the Sauk River Watershed District and the North Fork of the Crow River Watershed District submitted a boundary change petition to the Board of Water and Soil Resources. The Boundary change will realign the boundary between the two watershed districts to better align with hydrological and legal boundaries.

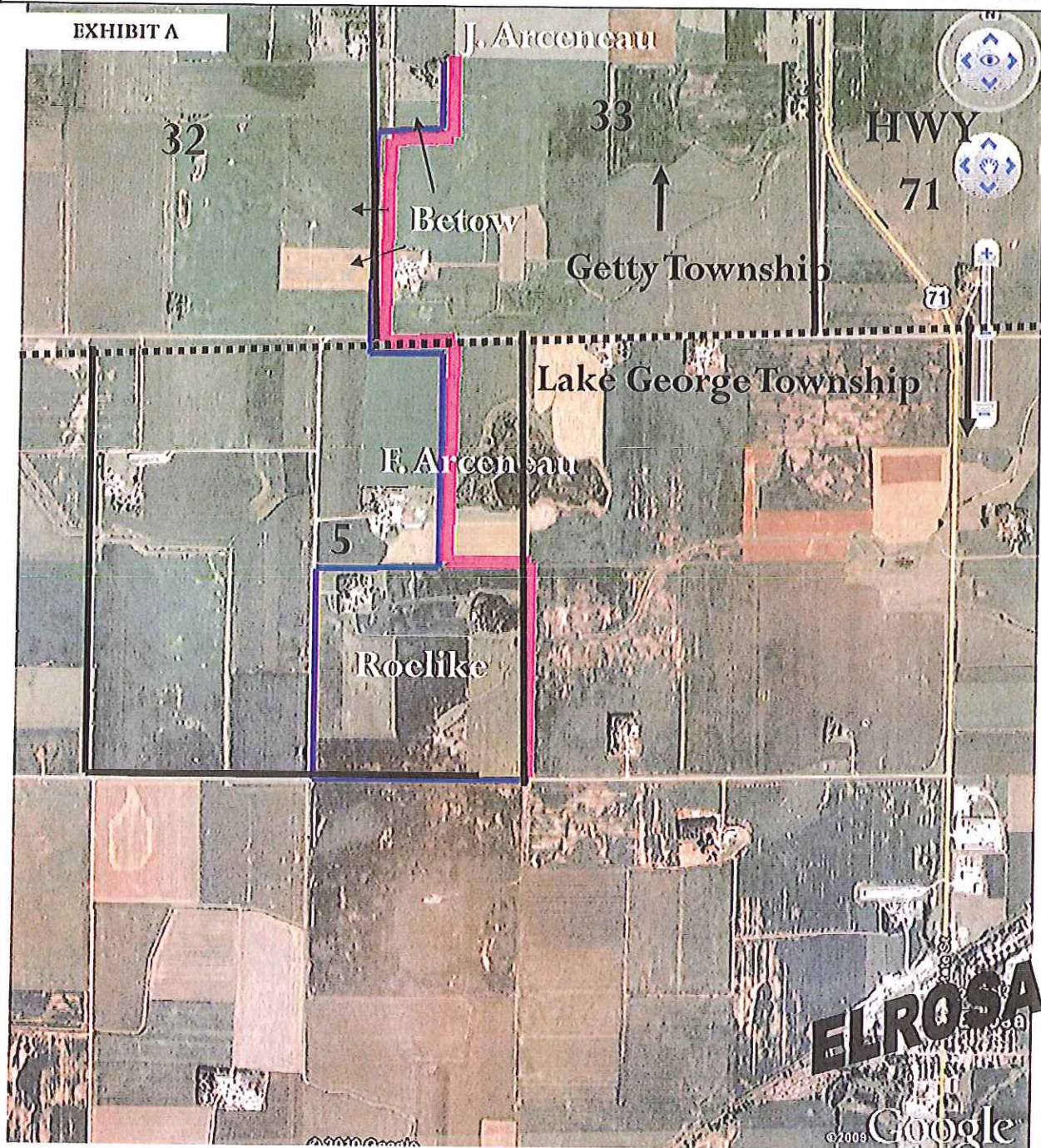
A notice of filing was published in local newspapers and submitted to all affected local government units. There were no requests for a hearing received during the specified period and no hearing was held. There were no comments received from informal inquiries to agency and government partners. Therefore, this boundary change is non-controversial.

This boundary change petition will be reviewed by the Northern Water Planning Committee on June 15, 2011. As the boundary change is supported by both Watershed Districts and is non-controversial, the Committee is anticipated to recommend approval of the boundary change. This item is draft contingent upon the Committee's recommendation.




# Watershed Boundary Change for North Fork Crow River and Sauk River Watershed Districts

EXHIBIT A



 Current Watershed's Boundary between North Fork & Sauk River

 Proposed Revision to Watershed's Boundary between North Fork & Sauk River



Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
St. Paul, Minnesota 55155

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**In the Matter** of the Boundary Change between  
The Sauk River Watershed District and the  
North Fork Crow River Watershed District,  
pursuant to Minnesota Statutes § 103D.251

---

**ORDER  
BOUNDARY  
CHANGE**

**Whereas**, the Board of Managers of the Sauk River Watershed District (SRWD) and the North Fork Crow River Watershed District (NFCRWD) filed a Petition dated October 11, 2010 with the Board of Water and Soil Resources (Board) on March 11, 2011, to change the common boundary between the two watershed districts pursuant to Minn. Stat. § 103D.251, and;

**Whereas**, the Board has completed its review of the Petition;

**Now Therefore**, the Board hereby makes the following Findings of Fact, Conclusions, and Order.

**FINDINGS OF FACT**

1. **Petition.** The Petition to change the boundary between the SRWD and NFCRWD was filed by the two watershed districts with the Board on March 11, 2011. The Petition was accompanied by supporting resolutions from the two watershed districts.
2. **Property Description.** The territory included in the boundary change, the Petitioned Area, is located in Lake George Township, in the SE¼ of Section 5, Stearns County, totals approximately 160 acres of land, and effects one property. The Petitioned Area includes the transfer of 160 acres from NFCRWD to the SRWD. The Petitioned Area is depicted on a map attached to the petition and further identified as property identification number 15.08324.000.
3. **Reasons for Boundary Change.** The proposed boundary change would achieve a more accurate alignment between the hydrologic and legal boundaries of the SRWD and NFCRWD and provide jurisdiction over lands draining to County Ditch # 9 to SRWD. The requested boundary change is consistent with the purposes and requirements of Minn. Stat. § 103D.251.
4. **Board of Managers Resolution.** Resolutions authorizing the boundary change and the

managers to sign the Petition were adopted by the Board of Managers of the SRWD and the NFCRWD on October 11, 2011.

5. **Notice of Filing.** Legal Notice of Filing of the proposed boundary change, pursuant to Minn. Stat. § 103D.105 Subd. 2., was published in the Sauk Centre Herald on March 29, and April 5, 2011, and in the Paynesville Press on March 30, and April 6, 2011. Further, a copy of the notice of filing was mailed to several addressees including the affected county, township, and Soil and Water Conservation District.
6. **Public Hearing.** The Legal Notice of Filing was published pursuant to Minn. Stat. § 103D.105, Subd. 2., which requires within 30 days of the last date of publication of the Notice of Filing of the Petition that at least one request for hearing be received by the Board before a hearing will be held. No requests for hearing and no comments were received during the specified period of time and no hearing was held.
7. **Board Staff Review.** Both watershed district administrators have been contacted regarding the proposed change and concur that the boundary should be adjusted. In addition, both watershed district boards have concurred with the boundary changes. Finally, no landowners within the proposed area have expressed concern regarding the boundary change. Therefore, field staff recommend approval of the boundary change as petitioned.
8. **Northern Water Planning Committee.** The Northern Water Planning Committee met on June 15, 2011. *Recommendation pending.*

## CONCLUSIONS

1. The Petition for boundary change of the SRWD and NFCRWD is valid in accordance with Minn. Stat. §103D.251.
2. Proper notice was given and public hearing was not held in accordance with applicable laws.
3. All relevant substantive and procedural requirements of law and rule have been fulfilled.
4. The Board has proper jurisdiction in the matter of ordering a watershed district boundary change.
5. The requested boundary change is consistent with the purpose and the requirements of Minn. Stat. §103D.251.
6. The boundary change as proposed in the Petition would be for the public welfare and public interest and would advance the purpose of Minnesota Statutes Chapter 103D.



7. The boundaries of the SRWD and the NRCRWD as proposed in the Petition are more accurately based on the hydrology of the subject area than the present boundaries.
8. The proposed boundary change should be approved per the Petition.

## **ORDER**

The Board hereby orders that the boundaries of the SRWD and the NRCRWD are changed per the Petition as depicted on the map attached to this Order and made a part hereof.

Dated at Saint Paul, Minnesota this 22nd day of June, 2011.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: \_\_\_\_\_  
Brian Napstad, Chair



## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE:

### Polk County Priority Concerns Scoping Document

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☐ New Business ☐ Old Business

Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: North Region

Contact: Brian Dwight

Prepared by: Brian Dwight

Reviewed by: Northern Water Planning Committee(s)

Presented by: To be determined at the June 15 NPRC

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☒ Other Supporting Information

#### Fiscal/Policy Impact

- ☒ None ☐ General Fund Budget
- ☐ Amended Policy Requested ☐ Capital Budget
- ☐ New Policy Requested ☐ Outdoor Heritage Fund Budget
- ☐ Other: ☐ Clean Water Fund Budget
- ☐ Other: \_\_\_\_\_

#### ACTION REQUESTED

#### SUMMARY (Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)

The Polk County Local Water Management Plan (LWMP) will be expiring on December 31, 2011. This Plan with a two-year extension will have been in effect for seven years. To assure that Polk County has a current LWMP the plan administrators (East and West Polk SWCDs) initiated the LWMP update process in the fall of 2010. The process has experienced good input from the local planning task force, and state review agencies. As with many LWMP update processes, the public input meetings were very poorly attended with no additional input.

Priority concerns were submitted by:

Cities: Crookston, Neilsville, and Climax

Watershed Districts: Red Lake and Sand Hill River

Polk County Planning and Zoning

Marshall County

Townships: Hill River, Ertsonville, Northland, Scandic, and Grand Forks

Lake Associations: Cable Lake, Union Lake, Lake Sara, and Maple Lake

State Agencies: MPCA, MDH, MDA, and BWSR

Only one review comment of the PCSD was received. This was submitted by the MPCA. In review and discussion with the water planners it was agreed that the comments submitted where comments related to final plan content and there was no need to adjust the PCSD.



The Polk County PCSD does not reflect much of a change for the Polk County LWMP. With the enormous amount of input received and the discussions that took place during the task force meetings as the PCSD was developed, this is an accurate reflection of the priority concerns for Polk County. The process followed and the resulting document meet statute requirements found in 103B.301-.335 as well as BWSR guidelines.

This item is contingent upon the Northern Water Planning Committee's recommendation at their June 15, 2011 meeting.

## List of Priority Concerns – Polk County Local Water Management Plan Update

Through the Advisory Work Group process with excellent representation and input by the Work Group, as well as a comprehensive call for input to the Polk County Local Water Management update process, it was determined that the three Priority Concerns identified in the expiring plan were still relevant with the addition of a fourth Priority Concern. The three previous Priority Concerns (PC 1, 2, and 3) will be updated as needed to reflect current data and information with appropriate action items.

### Priority Concern 1: Surface Water Quality

The Polk County Local Water Management Plan will focus on protection and enhancement of surface water quality. Specific areas of focus will be:

- Lakes region in the eastern part of the county, with specific focus on the human impacts
  - Increases in development around smaller, non-recreational lakes and larger wetland complexes should be assessed to determine if adverse impacts have affected the water quality of these smaller bodies of water
  - For nearly all of the lakes in this ecoregion, phosphorus is the limiting factor. Major management efforts related to water quality are directed at limiting the amount of phosphorus loading into the lakes
  - Sediment loading has also become a major concern to the water quality of the lakes. Proper land use management and implementation of *Best Management Practices* needs to be analyzed and addressed
- Source water supplies in the western part of the county
  - The City of East Grand Forks (and to some extent the City of Grand Forks) receives its public water supply from the Red Lake River
  - The Red Lake River is impaired for turbidity and management efforts should focus on sediment loading into the Red Lake River and its tributaries

Polk County will be an active participant of the *Total Maximum Daily Load (TMDL)* process as they are initiated in the associated watersheds.

### Priority Concern 2: Water Quantity

The Polk County Local Water Management Plan will focus on the *quantity* of water passing through the County and its associated watersheds by inventorying, assessing and evaluating the drainage infrastructure.

Due to the fluvial geomorphic characteristics of the Red River of the North Basin, Polk County is subject to frequent flooding. Some factors such as topography and increased precipitation are unmanageable, but other factors such as floodplain encroachment, channelization of waterways, land use practices and ineffective private drainage into public systems, are factors that can be assessed for *Best Management Practices*.



Water quantity, whether in excess or lack of, has an impact on the natural resources and economy of Polk County and its associated watersheds.

**Priority Concern 3: Management, Enhancement and Preservation of Natural Resources within the Glacial Lake Agassiz Beach Ridge area**

The Polk County Local Water Management Plan will focus on *Best Management Practices*, enhancement activities and preservation of the unique geographical features and the wide diversity of flora and fauna found in these areas.

The Glacial Lake Agassiz Beach Ridge area in Polk County contains some of the largest tracts of native prairie in the state. These prairies are typically of high quality and including good examples of dry mesic and wet prairies.

With the unique natural resource benefits found in the Glacial Lake Agassiz Beach and the native prairie and pre-settlement restoration that has occurred through the Nature Conservancy's Glacial Ridge Project, there is an economic benefit to Polk County and its citizens.

**Priority Concern 4: Exotic and Invasive Species Management**

The Polk County Local Water Management Plan will identify any new or yet to date undiscovered exotic and invasive plant and aquatic species for prevention and management practices

- Currently one lake in eastern Polk County has been identified to have an infestation of Eurasian Water Milfoil
- Spotted knapweed, Leafy spurge and Wild parsnip are examples of some of the noxious weeds that have readily established themselves in Polk County

Identification, education and management are beneficial tools that would be used to control and in some cases, hopefully, eradicate this resource management problem



## BOARD MEETING AGENDA ITEM

**AGENDA ITEM TITLE:** Watershed District Establishment Hearing

**Meeting Date:** June 22, 2011

**Agenda Category:** ☒ Committee Recommendation ☐ New Business ☐ Old Business  
**Item Type:** ☒ Decision ☐ Discussion ☐ Information

**Section/Region:** North Region Water Plan

**Contact:** Pete Waller or Travis Germundson

**Prepared by:** Pete Waller

**Reviewed by:** North Region Water Plan Committee(s)

**Presented by:** Quentin Fairbanks

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

**Attachments:** ☐ Resolution ☒ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> None          | <input type="checkbox"/> General Fund Budget          |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget               |
| <input type="checkbox"/> New Policy Requested     | <input type="checkbox"/> Outdoor Heritage Fund Budget |
|   | <input type="checkbox"/> Clean Water Fund Budget      |
| <input type="checkbox"/> Other: _____             |   |

### ACTION REQUESTED

Board authorization is needed to schedule and hold a public hearing regarding the establishment of the Upper Red Lower Otter Tail Watershed District to be held within 35 days of the Order's date.

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

A petition to establish a watershed district was filed by Wilkin County with the BWSR on January 18, 2011. The petition proposes the establishment of the Upper Red Lower Otter Tail Watershed District. Territory to be included in the proposed watershed district is an area that affects Wilkin and Otter Tail Counties, bordered on the south by the Bois de Sioux Watershed District and bordered on the north by the Buffalo-Red River Watershed District, and is approximately 430 square miles.

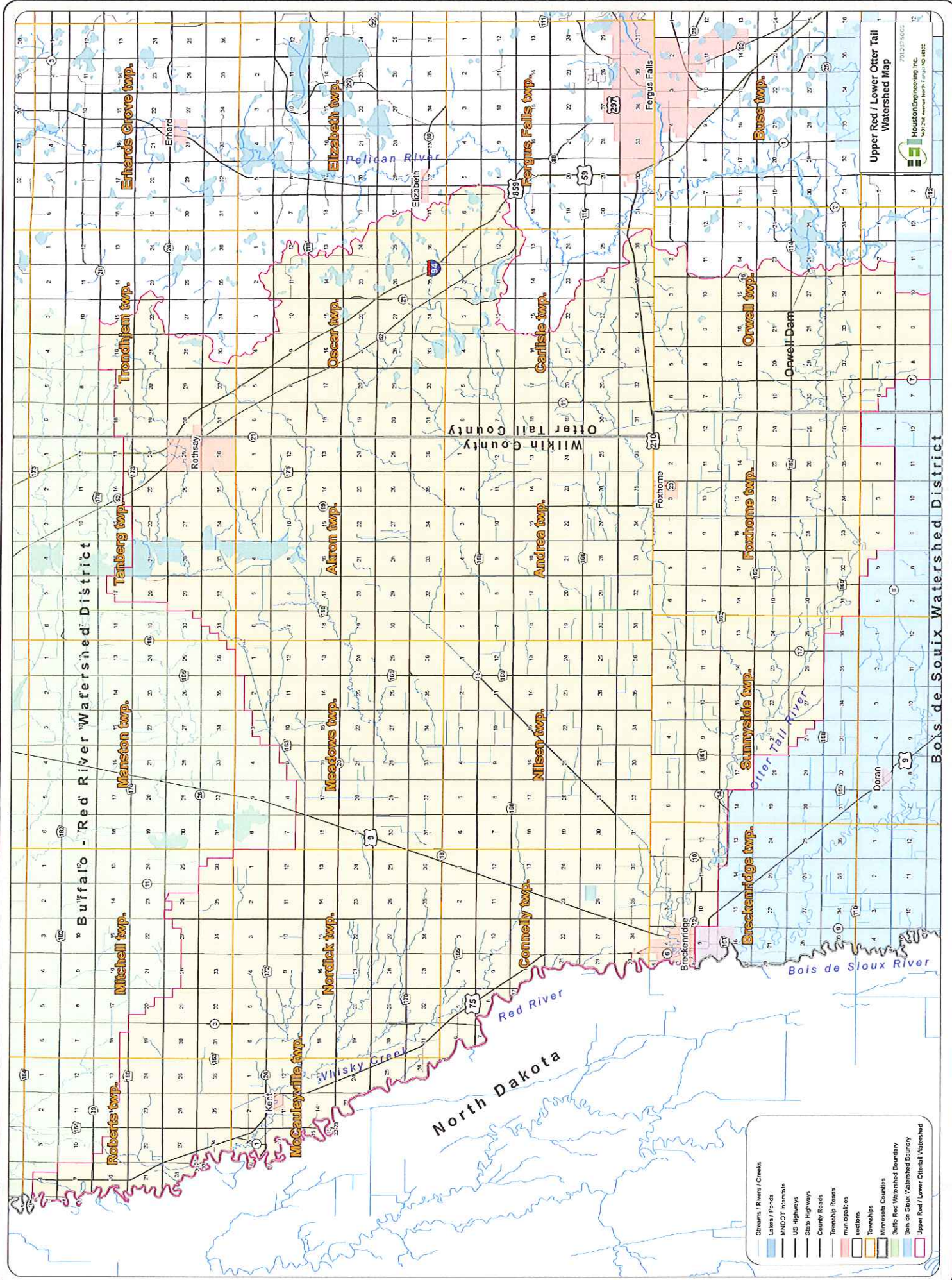
The Board must determine if the establishment petition has the requisite number of petitioner signatures, pursuant to 103D.205 Subd. 3. A petition that has the requisite number of petitioner signatures cannot be dismissed.

April 13, 2011, the Northern Water Planning Committee reviewed the petition and concluded it is a valid petition as MS 103D.205, Subd 3, item 3 allows an establishment petition to be signed by counties having 50% or more of the area within the proposed watershed district. The Committee recommends an establishment hearing be ordered.

April 18, 2011 Wilkin County requested BWSR hold the establishment hearing in June or July to avoid conflicts for Wilkin County Commissioners and the public involved with farm activities due to the area's spring flood event being later than usual this year. Without a May BWSR meeting the Committee's recommendation was held for the June BWSR meeting.

June 15, 2011, the Northern Water Planning Committee will discuss specific dates for the hearing to be held and make that recommendation to the Executive Director, who will make the determination as per the drafted Order.





**Legend**

- Streams / Rivers / Creeks
- Lakes / Ponds
- MINOT Interstate
- US Highways
- State Highways
- County Roads
- Township Roads
- Municipalities
- Townships
- Minnesota Counties
- Minnesota County Boundary
- Buffalo Red Watershed Boundary
- Bois de Sioux Watershed Boundary
- Upper Red / Lower Otter Tail Watershed

**Upper Red / Lower Otter Tail Watershed Map**

701-237-5065  
Houston Engineering Inc.  
402 2nd Street North, Fargo, ND 58102



RESOLUTION NO. 8-11

A RESOLUTION AUTHORIZING THE CHAIRMAN OF THE BOARD TO PETITION ON BEHALF OF THE WILKIN COUNTY BOARD FOR THE UPPER RED LOWER OTTER TAIL WATERSHED DISTRICT.

WHEREAS, the Minnesota Watershed Act provides for the establishment of a watershed district upon petition of one-half of the counties within the proposed district.

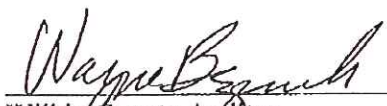
AND, WHEREAS, a resolution was previously signed, specifically Resolution No. 3-11, dated January 11, 2011, which resolution contained an incorrect statute number.

NOW, THEREFORE, It Is Hereby Resolved, that a petition for the establishment of the Upper Red Lower Otter Tail Watershed District has been executed by the Chairman of the Wilkin County Board on behalf of Wilkin County and that said petition has been served and filed pursuant to Minnesota Statutes Section 103D.205.

Dated this 15 day of February, 2011.

  
Chairman, Wilkin County Board

Attest:

  
\_\_\_\_\_  
Wilkin County Auditor



RESOLUTION NO. 3-11

A RESOLUTION AUTHORIZING THE CHAIRMAN OF THE BOARD TO PETITION ON BEHALF OF THE WILKIN COUNTY BOARD FOR THE UPPER RED LOWER OTTER TAIL WATERSHED DISTRICT.

WHEREAS, the Minnesota Watershed Act provides for the establishment of a watershed district upon petition of one-half of the counties within the proposed district.

NOW, THEREFORE, It Is Hereby Resolved, that a petition for the establishment of the Upper Red Lower Otter Tail Watershed District be executed by the Chairman of the Wilkin County Board on behalf of Wilkin County and that said petition shall be served and filed pursuant to Minnesota Statutes Section 112.37, Subd. 1B.

Dated this 11 day of January, 2011.

  
Chairman, Wilkin County Board

Attest:

  
Wilkin County Auditor

AFFIDAVIT OF SERVICE BY MAIL

STATE OF MINNESOTA    )  
                                      ) ss  
COUNTY OF WILKIN     )

Barbara J. Olsen, of the City of Breckenridge, County of Wilkin, State of Minnesota, being duly sworn, says that on the 14<sup>th</sup> day of January, 2011, she served the annexed Resolution and Establishing Petition (with attachments) on the following individuals by mailing to them copies thereof enclosed in an envelope, postage prepaid, and directed to said individuals at the addresses listed:

Mary Jo Anderson, Executive Assistant  
Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
St. Paul, MN 55155

Otter Tail County Auditor  
Government Services Center  
510 Fir Avenue West  
Fergus Falls, MN 56537

Tom Landwehr, Commissioner  
Department of Natural Resources  
500 Lafayette Road - Box 32  
St. Paul, MN 55155-4032

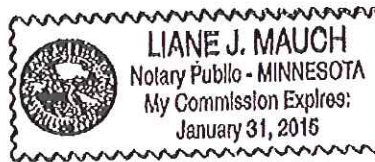
Wilkin County Auditor  
Wilkin County Courthouse  
300 South 5<sup>th</sup> Street  
Breckenridge, MN 56520

Dated this 14<sup>th</sup> day of January, 2011.

Barbara J. Olsen  
Barbara J. Olsen

Subscribed and sworn to before  
me this 14<sup>th</sup> day of January, 2011.

Liane J. Mauch  
Notary Public, Wilkin Co., MN  
My commission expires 01-31-2015





STATE OF MINNESOTA  
BOARD OF WATER AND SOIL RESOURCES  
ST. PAUL, MINNESOTA

In the Matter of the Petition for	)	
the Establishment of the Upper Red Lower	)	ESTABLISHMENT PETITION
Otter Tail Watershed District.	)	

---

The undersigned petitioner respectfully represents and states to the State Board of Water and Soil Resources:

I.

That the County of Wilkin consists of at least one-half of the counties within the proposed district, the district hereinafter described to be known as the Upper Red Lower Otter Tail Watershed District and that this Petition is made pursuant to the Minnesota Watershed Act for the establishment of said district.

II.

That the area to be embraced within the proposed watershed district is marked on the attached map which area affects Wilkin County and Otter Tail County.

III.

That the proposed district is needed as a means of conserving and making prudent use of the waters and natural resources of the state within the territory to be included in the district and that the district be established for the following purposes:

1. Control or alleviation of damage by flood waters;
2. Improvement of stream channels for drainage, navigation, and any other public purpose;
3. Reclaiming or filling wet and overflowed lands;
4. Providing water supply for irrigation;
5. Regulating the flow of streams and conserving the waters thereof;
6. Diverting or changing watercourses in whole or in part;

7. Providing and conserving water supply for domestic, industrial, recreational, agricultural, or other public use;
8. Providing for sanitation and public health and regulating the use of streams, ditches, or watercourses for the purpose of disposing of waste;
9. Repair, improve, relocate, modify, consolidate, and abandon, in whole or in part, drainage systems within a watershed district;
10. Imposition of preventive or remedial measures for the control or alleviation of land and soil erosion and siltation of watercourses or bodies of water affected thereby;
11. Regulating improvements by riparian landowners of the beds, banks, and shores of lakes, streams, and marshes by permit or otherwise in order to preserve the same for beneficial use;
12. Protecting or enhancing the quality of water in watercourses or bodies of water;
13. Providing for the protection of groundwater and regulating groundwater use to preserve groundwater for beneficial use.

#### IV.

That the formation and establishment of the proposed district is necessary and may be conducive to the public health and public welfare and accomplish the purposes of this chapter for the following reasons:

1. Would prevent damage to farm buildings and farm yards, public roads and farmlands due to flooding.
2. Would remove county boundaries from determining an overall and comprehensive use of the water and natural resources.
3. Would control and regulate private ditching, obstruction of natural waterways and the antagonism amongst neighboring land owners regardless of the county in which they were located.

#### V.

That the nature and extent of the contemplated improvements to be made by the district within the territory described above are as follows:

1. A total re-evaluation of drainage, ditches, affected areas and proper assessment districts including a re-determination of benefits derived from drainage as is



currently assessed which assessment could be made on the territory affected regardless of county boundaries.

2. A comprehensive plan for water use and natural resources within the district.

## VI.

The petitioner proposed five managers for the district and that the names and address of the proposed managers for the district are as follows:

Cathy Affield, 2010 250<sup>th</sup> Street, Kent, MN 56553;  
Karlo Etten, 3138 370<sup>th</sup> Street, Foxhome, MN 56543;  
Vance Johnson, 3318 State Highway 9, Breckenridge, MN 56520;  
Troy Larson, 3239 220<sup>th</sup> Street, Rothsay, MN 56579;  
Tony Nordick, 2212 170<sup>th</sup> Avenue, Kent, MN 56553;  
Randy Tobias, 1512 Chet Drive, Breckenridge, MN 56520;

(Four nominations were reserved for Otter Tail County. The Otter Tail County Board of Commissioners declined to submit nominations when requested.)

all of whom reside within the proposed district and do not hold any public office in the State or Federal Government or any political subdivision thereof.

WHEREFORE, the petitioner prays that the Board fix a time and place for a hearing hereon and upon such hearing make its order:

1. Establishing said watershed district.
2. Appointing the Board of Managers therefore.
3. Fixing and defining the boundaries of the district.
4. For such other and further orders as may be necessary for the establishment of the district as allowed by law.

Signed this 11 day of January, 2011, by the Chairman of the Wilkin County Board of Commissioners as authorized by resolution of said Board and attested to by the Wilkin County Auditor.

  
Chairman, Wilkin County Board

  
Wilkin County Auditor

# Minnesota Department of Natural Resources

Division of Ecological and Water Resources

1509 1<sup>st</sup> Avenue North

Fergus Falls, MN 56537

April 1, 2011



Mr. John Jaschke  
Executive Director  
MN Board of Water and Soil Resources  
520 Lafayette Road, St. Paul, MN 55155

Dear Mr. Jaschke;

## **WILKIN COUNTY PETITION TO ESTABLISH THE UPPER RED LOWER OTTER TAIL WATERSHED DISTRICT**

The Department of Natural Resources (DNR) has received notification that the Wilkin County Board of Commissioners has petitioned the Board of Soil and Water Resources (BWSR) to establish a watershed district under Minnesota Statutes 103D.205. The purpose of the watershed district is to conserve and make prudent use of the waters and natural resources within the district.

Minnesota Statutes 103D.215 requires the Director of the DNR Division of Waters, to prepare a preliminary watershed map and a preliminary report about the watershed district. This letter fulfills the Department's obligation under Minnesota Statute.

The preliminary watershed map attached shows the natural watershed boundaries within the proposed watershed district and the entire Otter Tail River watershed. The proposed watershed district boundary joins established watershed district boundaries on the north and south. The western boundary of the proposed watershed district is the Red River of the North. The eastern boundary of the proposed watershed district is consistent with the catchment boundaries DNR has used to delineate the watershed.

The proposed Upper Red Lower Ottertail River Watershed District includes only the lower portion of the Otter Tail River watershed. The Department normally would like to see the whole watershed included within the boundary of any proposed watershed district so resource issues can be handled in a more holistic manner. However, considering that the Otter Tail River watershed is large (approximately 1983 square miles) and diverse in land use and topography, it is not unreasonable to include only the lower Otter Tail River watershed in the district at this time. The lower Otter Tail River watershed is primarily agricultural land, unlike the forests and lakes of the upper Otter Tail River watershed, and includes a more manageable land area of approximately 427 square miles. The primary water resource management concerns expressed by the petitioners are located within in the proposed watershed district boundary.

The DNR has completed review of the Establishment Petition for the Upper Red Lower Ottertail Watershed District. The DNR supports the establishment of a watershed district within the Ottertail River system and has no objections to the proposed petition.

[www.dnr.state.mn.us](http://www.dnr.state.mn.us)

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If established it would be essential that the overall water management plan for the district include an inventory and evaluation of natural resource enhancement opportunities within the district.

The Department encourages the newly formed watershed district to consider membership in Red River Watershed Management Board.

If you have any questions or concerns with this position, please contact me @ 218-739-7576 ext 243 or at [julie.aadland@state.mn.us](mailto:julie.aadland@state.mn.us).

Sincerely,



Julie Aadland  
Area Hydrologist

cc: Steve Hirsch, Director Division of Ecological and Water Resources  
Peter Buessler, Regional Manager  
Dan Lais, Acting Assistant Regional Manager  
Pete Waller, BWSR  
Wilkin County Auditor  
Otter Tail County Auditor  
Wilkin County SWCD  
East Otter Tail County SWCD  
West Otter Tail County SWCD  
City of Breckenridge  
City of Foxhome  
City of Rothsay  
City of Kent

# OTTER TAIL COUNTY BOARD OF COMMISSIONERS

Government Services Center \* 515 Fir Avenue West \* Fergus Falls, MN 56537 \* 218-998-8060 \* Fax 218-998-8075 \* [www.co.otter-tail.mn.us](http://www.co.otter-tail.mn.us)

## RESOLUTION IN OPPOSITION TO PETITION FOR THE ESTABLISHMENT OF AN UPPER RED LOWER OTTER TAIL WATERSHED DISTRICT

Otter Tail County Resolution 2011 - 06

RECEIVED

JAN 23 2011

Commissioner Froemming offered the following and moved for its adoption.

Bd. of Water & Soil Resource  
St. Paul

Whereas, Otter Tail County has received a copy of an establishment petition from Wilkin County for the establishment of an Upper Red Lower Otter Tail Watershed District; and

Whereas, Otter Tail County was approached by Wilkin County to discuss the possibility of a joint petition, and then had public hearings with Otter Tail County citizens; and

Whereas, the citizens of Otter Tail County within the proposed watershed district are universally opposed to the establishment of the district; and

Whereas, the Otter Tail County Board of Commissioners attempted to find citizens willing to serve as managers on the proposed watershed district board, but were unable to find anyone willing to so serve; and

Whereas, Otter Tail County informed Wilkin County of its inability to find any citizens to serve, and has been informed by Wilkin County that it has made attempts to find Otter Tail County residents to serve, including a public hearing held in the city of Rothsay; and

Whereas, Otter Tail County has been informed that Wilkin County has also been unable to find any Otter Tail County residents willing to serve on the board of managers; and

Whereas, because of the lack of the number of managers required to be proposed, the petition is defective, and based on the information known, the defect cannot be corrected; and

Whereas, Otter Tail County is willing to work with Wilkin County to find other means to address water issues; and

Whereas, on behalf of its citizens the Board of Commissioners objects to the petition filed by Wilkin County and will oppose the establishment of the proposed watershed district.

Now, Therefore, Be It Resolved, that the Otter Tail County Board of Commissioners hereby objects to the petition of Wilkin County to establish a watershed district.

Commissioner Huebsch seconded the motion and upon a roll call vote, the resolution was adopted as follows:

<u>Board of County Commissioners</u>	<u>YEA</u>	<u>NAY</u>	<u>ABSENT</u>	<u>ABSTAIN</u>
Roger Froemming	X			
Wayne D. Johnson	X			
Doug Huebsch	X			
Leland R. Rogness	X			
John Lindquist	X			

Dated: January 18, 2011

OTTER TAIL COUNTY BOARD OF COMMISSIONERS

Attest: Larry Krohn  
Larry Krohn, Clerk

By: John Lindquist  
John Lindquist, Board of Commissioners Chair



Minnesota Board of Water and Soil Resources  
520 Lafayette Road North  
Saint Paul, MN 55155

---

**In the Matter** of the Establishment Petition for  
the Upper Red Lower Otter Tail Watershed District  
in Wilkin and Otter Tail Counties pursuant to  
Minnesota Statutes § 103D.221 Subd. 1

**ORDER  
ESTABLISHMENT  
HEARING**

**Whereas**, Wilkin County in the proposed Upper Red Lower Otter Tail Watershed District in Wilkin and Otter Tail Counties filed a Petition dated January 11, 2011 with the Board of Water and Soil Resources (Board) on January 18, 2011, to establish a watershed district pursuant to Minn. Stat. § 103D.205, and;

**Whereas**, the Board has completed its review of the Petition;

**Now Therefore**, the Board hereby makes the following Findings of Fact, Conclusions, and Order.

**FINDINGS OF FACT**

1. **Establishment Petition Signatures.** The establishment Petition dated January 11, 2011 was filed with the Board on January 18, 2011 by Wilkin County. Wilkin County contains more than 50 percent of the area in the proposed watershed district. Minn. Stat. § 103D.205, Sub. 3, item 3 allows an establishment petition to be signed by counties having 50 percent or more of the area within the proposed watershed district.
2. **Property Description.** The territory to be included in the proposed watershed district is depicted in map attached with the Petition and is an area that affects Wilkin and Otter Tail Counties, bordered on the south by the Bois de Sioux Watershed District and bordered on the north by the Buffalo-Red River Watershed District, approximately 430 square miles in several communities, which includes land in the Cities of Breckenridge, Kent, Rothsay, and Foxhome.
3. **Necessity for Watershed District.** The Petition states the establishment is necessary for the following reasons:
  - a. Would prevent damage to farm buildings and farm yards, public roads and farmlands due to flooding

- b. Would remove county boundaries from determining an overall and comprehensive use of water and natural resources.
  - c. Would control and regulate private ditching, obstruction of natural waterways and the antagonism amongst neighboring land owners regardless of the county in which they were located.
4. **Contemplated Improvements.** The Petition list contemplated improvements, as follows:
- a. A total re-evaluation of drainage, ditches, affected areas and proper assessment districts including a re-determination of benefits derived from drainage as is currently assessed which assessment could be made on the territory affected regardless of county boundaries.
  - b. A comprehensive plan for water use and natural resources within the district.
5. **District Name.** The Petition states the name of the proposed district shall be the Upper Red Lower Otter Tail Watershed District.
6. **Number of Managers.** The Petition specifies the proposed number of managers as five (5).
7. **Filing.** The Petition was filed with the Wilkin County Auditor, Otter Tail County Auditor, the Commissioner of the Department of Natural Resources, and the Board
8. **Hearing Panel.** Board members of the Northern Water Planning Committee should preside over the hearing and bring a recommendation to the Board.
9. **Hearing Time.** The Executive Director should determine the date of the hearing after coordinating with the appropriate parties.
10. **Hearing Location.** The public hearing should be held at the Rothsay Public School in Wilkin County. If scheduling conflicts arise the Executive Director should choose another suitable location.



## CONCLUSIONS

1. The petition for establishment of the Upper Red Lower Otter Tail Watershed District is valid in accordance with Minn. Stat. §§ 103D.205.
2. All relevant, substantive and procedural requirements of law and rule have been fulfilled.
3. The Board has proper jurisdiction in the matter of ordering a watershed district establishment hearing.
4. The establishment hearing on the Petition for establishment of the Upper Red Lower Otter Tail Watershed District should be presided over by the Northern Water Planning Committee.
5. The Executive Director shall make a decision on the date of the public hearing after coordinating with the appropriate parties.

The public hearing shall be held at the Rothsay Public School in Wilkin County.

If scheduling conflicts arise the Executive Director shall choose another suitable location.

## ORDER

The Board hereby orders a public hearing be held within 35 days of the date of this Order on the establishment Petition for the Upper Red Lower Otter Tail Watershed District presided over by the Northern Water Planning Committee at a date and location to be determined by the Executive Director.

Dated at Saint Paul, Minnesota this 22nd day of June, 2011.

MINNESOTA BOARD OF WATER AND SOIL RESOURCES

By: \_\_\_\_\_  
Brian Napstad, Chair

**COMMITTEE RECOMMENDATIONS**  
***Southern Water Planning Committee***

1. Sibley County Priority Concerns Scoping Document – Paul Langseth –  
***DECISION ITEM***





## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Sibley County PCSD Approval

Meeting Date: June 22, 2011

Agenda Category: ☒ Committee Recommendation ☒ New Business ☐ Old Business  
Item Type: ☒ Decision ☐ Discussion ☐ Information

Section/Region: South Region

Contact: Jeff Nielsen

Prepared by: Carla Swanson-Cullen & Thomas Fischer

Reviewed by: South Region Local Water Management Committee(s)

Presented by: Paul Langseth, chair

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- ☒ None ☐ General Fund Budget  
☐ Amended Policy Requested ☐ Capital Budget  
☐ New Policy Requested ☐ Outdoor Heritage Fund Budget  
☐ Other: \_\_\_\_\_ ☐ Clean Water Fund Budget

### ACTION REQUESTED

Approval of Sibley County Local Water Management Plan Priority Concerns Scoping Document

#### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

The 3<sup>rd</sup> generation of the Sibley County Local Water Management Plan is due to expire on December 31, 2011. The County passed a resolution to begin the updating process on June 22, 2010. The Sibley County Priority Concerns Scoping Document was distributed to state agencies for their review on March 4, 2011. Comments were received from the Minnesota Department of Agriculture and the Minnesota Pollution Control Agency. These comments were reviewed by BWSR.

On April 27, 2011, the Southern Water Planning Committee met to review the Sibley County Priority Concerns Scoping Document. After review and discussion, the Committee decided with a unanimous vote to recommend approval of the Sibley County Priority Concerns Scoping Document and bring it forward to the full BWSR Board.



Date: April 12, 2011

To: Jeff Nielsen, BWSR Southern Region Supervisor

From: Thomas Fischer, <sup>Tom</sup>BWSR Board Conservationist

RE: Review of Sibley County Priority Concerns Scoping Document

The current third generation Sibley County Comprehensive Local Water Plan (CLWP) will expire on December 31, 2011. Sibley County Water Plan Coordinator Ron Otto is housed in the Sibley Soil and Water Conservation District (SWCD) office in Gaylord, Minnesota.

On January 21, 2010, I met with Ron Otto at the SWCD office to discuss the process for updating a Local Water Management Plan (LWP). I provided informational material for his use.

On June 22, 2010 Sibley County Board of Commissioners adopted a resolution to update its LWP.

From July 2010 through February 2011, public input (local survey) and state agencies comments were obtained. Almost 400 surveys were returned. Written comments were received from the Board of Water and Soil Resources (BWSR), Minnesota Department of Agriculture (MDA), Minnesota Department of Natural Resources (MN DNR), and Minnesota Pollution Control Agency (MPCA). The county water plan coordinator facilitated three meetings of the Sibley County Water Resources Advisory Committee to review the current CLWP as well as the input and comments that were received. The end result was the selection of priority concerns that will be the focus for water resources planning and management in Sibley County for 2012 – 2021.

On March 4, 2011, the Sibley County Priority Concerns Scoping Document (PCSD) was mailed to the BWSR, MN DNR, MDA, MPCA, Minnesota Department of Health, and Minnesota Environmental Quality Board. (BWSR received on March 7, 2011.) Each recipient was requested to provide comment to the BWSR Southern Region office by April 10, 2011. MDA responded that they concur with the priority concerns identified. MPCA responded that they strongly recommend, but do not require, a revision to the PCSD to address county waters on the 303(d) Impaired Waters list. MPCA also offered comments to be considered when drafting the LWM Update.

On behalf of the BWSR, I have completed my review of the Sibley County Priority Concerns Scoping Document and recommend that the BWSR concur with the priority concerns identified:

1. Drinking Water Quality
2. Water Quantity
3. Nutrient, Manure and Human Waste
4. Soil Erosion

I look forward to working with Sibley County and SWCD officials, staff and residents as they work towards completing the fourth generation Local Water Management Plan Update. I can be contacted at (507) 359-6091 or [Tom.D.Fischer@mn.state.us](mailto:Tom.D.Fischer@mn.state.us).

<b>Bemidji</b> 70. Minnesota Avenue Suite 234 Bemidji, MN 56601 phone (218) 755-4235 fax (218) 755-4201	<b>Brainerd</b> 1601 Minnesota Drive Brainerd, MN 56401 phone (218) 828-2383 fax (218) 828-6036	<b>Duluth</b> 394 S. Lake Avenue Room 403 Duluth, MN 55802 phone (218) 723-4752 fax (218) 723-4794	<b>Fergus Falls</b> 1004 Frontier Trail Fergus Falls, MN 56537 phone (218) 736-5445 fax (218) 736-7215	<b>Marshall</b> 1400 E. Lyon Street Box 267 Marshall, MN 56258 phone (507) 537-6060 fax (507) 537-6368	<b>New Ulm</b> 261 Highway 15 S. New Ulm, MN 56073 phone (507) 359-6074 fax (507) 359-6018	<b>Rochester</b> 2300 Silver Creek Road N.E. Rochester, MN 55906 phone (507) 281-7797 fax (507) 285-7144	<b>Saint Paul</b> 520 Lafayette Road N. Saint Paul, MN 55155 phone (651) 296-3767 fax (651) 297-5615
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**NEW BUSINESS**

1. Wetland Conservation Act (WCA) Statute Changes – Les Lemm –  
***INFORMATION ITEM***
2. WCA-Swampbuster Coordination Opportunity – Less Lemm –  
***INFORMATION ITEM***



## BOARD MEETING AGENDA ITEM

AGENDA ITEM TITLE: Wetland Conservation Act Statute Changes

Meeting Date: June 22, 2011

Agenda Category: ☐ Committee Recommendation ☒ New Business ☐ Old Business  
Item Type: ☐ Decision ☐ Discussion ☒ Information

Section/Region: Land and Water Section

Contact: Les Lemm, WCA Coordinator

Prepared by: Les Lemm

Reviewed by: \_\_\_\_\_ Committee(s)

Presented by: Les Lemm

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

Attachments: ☐ Resolution ☐ Order ☐ Map ☐ Other Supporting Information

### Fiscal/Policy Impact

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> None          | <input type="checkbox"/> General Fund Budget          |
| <input type="checkbox"/> Amended Policy Requested | <input type="checkbox"/> Capital Budget               |
| <input type="checkbox"/> New Policy Requested     | <input type="checkbox"/> Outdoor Heritage Fund Budget |
|   | <input type="checkbox"/> Clean Water Fund Budget      |
| <input type="checkbox"/> Other: _____             |   |

### ACTION REQUESTED

None - Informational

**SUMMARY** (*Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation*)  
Several statute changes affecting the Wetland Conservation Act (WCA) were approved by the legislature in the 2011 session. As part of SF1115, the changes were signed by the Governor on May 27 and take effect August 1, 2011. BWSR worked with stakeholders for nearly two years to come to a general consensus about most of the changes contained in this bill. These changes included: establishing DNR as a local government unit (LGU) for the review and approval wetland banking projects used solely to mitigate mining impacts, and applying reduced fees for such banks; allowing for "electronic transmission" of statute-required LGU notices regarding applications and decisions; eliminating the current public-lands-only limitation on the allocation of replacement credits for wetland preservation; simplifying the siting criteria for replacement wetlands while providing a technical basis for identifying appropriate replacement wetland siting opportunities; directing appeals of restoration orders to the BWSR Executive Director rather than the LGU; eliminating the requirement for a local appeal of LGU staff decisions; and allowing BWSR to set wetland banking fees below the otherwise required amounts for "single-user" or other dedicated accounts.





## BOARD MEETING AGENDA ITEM

**AGENDA ITEM TITLE:** WCA-Swampbuster Coordination Opportunity

**Meeting Date:** June 22, 2011

**Agenda Category:** ☐ Committee Recommendation ☒ New Business ☐ Old Business  
**Item Type:** ☐ Decision ☐ Discussion ☒ Information  
**Section/Region:** Land and Water Section  
**Contact:** Les Lemm, WCA Coordinator  
**Prepared by:** Les Lemm  
**Reviewed by:** \_\_\_\_\_ **Committee(s)**  
**Presented by:** Les Lemm

☐ Audio/Visual Equipment Needed for Agenda Item Presentation

**Attachments:** ☐ Resolution ☐ Order ☒ Map ☒ Other Supporting Information

### Fiscal/Policy Impact

- ☒ None ☐ General Fund Budget  
☐ Amended Policy Requested ☐ Capital Budget  
☐ New Policy Requested ☐ Outdoor Heritage Fund Budget  
☐ Other: \_\_\_\_\_ ☐ Clean Water Fund Budget

### ACTION REQUESTED

None - Informational

### SUMMARY *(Consider: history, reason for consideration now, alternatives evaluated, basis for recommendation)*

In December of 2009, BWSR and the USDA Natural Resources Conservation Service signed a Memorandum of Understanding regarding implementation of the Wetland Conservation Act (WCA) and the "Swampbuster" provisions of the federal farm bill. NRCS has also been exploring ways to partner with Soil and Water Conservation Districts or other local governments with WCA responsibilities for joint implementation of certain WCA and Swampbuster provisions through Contribution Agreements. This NRCS effort will benefit from a newly funded 4-state USDA initiative in the Prairie Pothole Region aimed at reducing the backlog of certified wetland determinations. Under the "North Central Wetland Conservation Initiative," NRCS would develop agreements with individual local governments to perform technical work associated with certified wetland determinations and other related functions. The resulting products could be used for both USDA and WCA purposes, significantly improving program consistency. A similar process has been in place in Mower County for several years where it has worked well and serves as a working model for additional agreements.

# USDA North Central Wetland Conservation Initiative

## An opportunity for WCA – Swampbuster Coordination

In December of 2009, BWSR and the USDA Natural Resources Conservation Service signed a Memorandum of Understanding regarding implementation of WCA and the “Swampbuster” provisions of the federal farm bill. NRCS has also been exploring ways to partner with LGUs or SWCDs with WCA responsibilities for joint implementation of certain WCA and Swampbuster provisions through Contribution Agreements. This NRCS effort will benefit from a newly funded 4-state initiative in the Prairie Pothole Region aimed at reducing the backlog of certified wetland determinations. A similar process has been in place in Mower County for several years where it has worked well and serves as a working model for additional agreements.

### Benefits of such an agreement include:

- This type of arrangement provides the best opportunity to address differences in implementation between the two programs, including current barriers to interagency coordination, and advance the shared goals of the interagency MOU.
- WCA LGUs are already involved with and spending time on many of these projects. The Swampbuster work may not add much time which makes this an efficient way of implementing these two programs.
- The current funding situation for WCA and other state/local programs is not getting any better, and could potentially deteriorate even more. This necessitates exploring new and innovative ways to implement programs and effectively provide services to landowners.
- Better service to landowners by improving certainty and consistency.

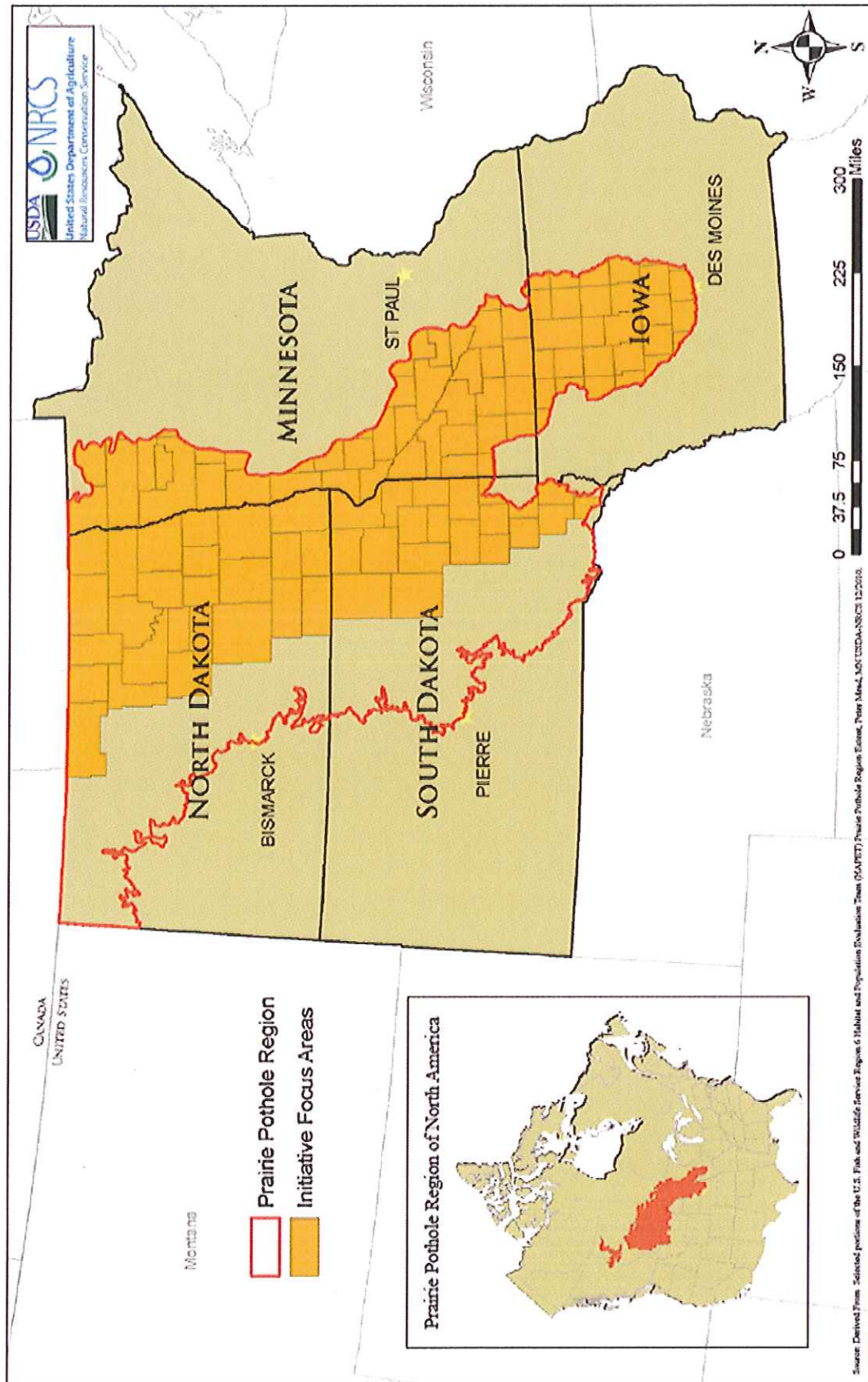
### Details are being worked out, but the program will generally include:

- Up to a 3-year agreement period for up to approximately \$20,000 annually for participating LGUs.
- The LGU/SWCD will need to have technically sound staff, trained and competent in wetland delineation and offsite methodologies.
- The LGU/SWCD will need to contribute a minimum of 25% (2.5 hours for every 7.5 hours NRCS pays for), however, time spent for the WCA side of things would count.
- The primary Swampbuster responsibilities and base payment rates (75% of amount) will likely be:
  1. response to form AD1026 (\$60);
  2. certified wetland determinations (\$400);
  3. development of “minimal effect agreements” (\$400); and
  4. other work tasks related to wetland activities could also be included in the agreements.
- BWSR and NRCS will agree to the procedures used to develop the wetland maps (that could be used for both WCA and Swampbuster purposes) and provide training.
- The program will likely include an agreement with BWSR for specified services.

### SWCDs expressing interest as of 6-3-11

- Area 1: West Polk, East Polk, Roseau, Red Lake, Marshall, Norman, Mahnommen
- Area 2: West Ottertail, Clay, Douglas, Wilkin, Pope, Becker
- Area 5: Yellow Medicine, Lyon, Lincoln, Nobles, Redwood, Big Stone (County is the LGU)
- Area 6: Waseca, Martin, Renville
- Area 7: Mower





State	Acres	Sq Miles	% Focus Area
Iowa	7,842,676	12,254	15
Minnesota	16,524,703	25,820	31
North Dakota	19,079,480	29,812	36
South Dakota	9,753,963	15,241	18
<b>Total</b>	<b>53,200,823</b>	<b>83,126</b>	<b>100</b>

## North Central Wetland Conservation Initiative

Prairie Pothole Region Focus Areas

Total Focus Area Acres: 53,200,823 Acres / 83,126 Square Miles